

February 24, 2009



TRANSCRIPT

February 24, 2009

MONTGOMERY COUNTY COUNCIL

PRESENT

Councilmember Phil Andrews, President	
Councilmember Roger Berliner, Vice President	
Councilmember Marc Elrich	Councilmember Nancy Floreen
Councilmember Michael Knapp	Councilmember George Leventhal
Councilmember Duchy Trachtenberg	

February 24, 2009



1 COUNCIL PRESIDENT ANDREWS:

2 Good morning, everybody. Welcome. Welcome to a meeting of the County Council. We're
3 going to begin with an invocation from Reverend Tim Warner of the Montgomery County
4 Office of Community Partnerships. Reverend Warner.

5
6 REVEREND WARNER:

7 Let every heart pray. Gracious God of community, we thank you for this day-- another day
8 where we can gather to consider this marvelous creation that we call community. We pray
9 for these Councilmembers today, who have come with weighty matters to decide, with
10 issues that need to be resolved in this community, and we ask for them, great God, that
11 you would give them insight far beyond what they can see, that they might have
12 understanding beyond their ability to think. And we pray that what we do in here is less
13 about politics than it is about your community, about the least and the last and the lost in
14 our community, about all of us who dwell here, that we might dwell together in peace. We
15 thank you for recipients of proclamations and folks who have come to gather to be a part,
16 an active part, of the life of this community today. Bless us all as we consider this life that
17 you've given us together. In your great name we pray. Amen.

18
19 COUNCIL PRESIDENT ANDREWS:

20 Thank you. Thank you, Reverend. All right. We're next going to have a proclamation that
21 will be presented by Council Vice President and myself to the Blair High School Science
22 Bowl winners.

23
24 COUNCIL VICE PRESIDENT BERLINER:

25 Come on around here so that you flank us here.

26
27 COUNCIL PRESIDENT ANDREWS:

28 There we go. All right. Well, one of the great pleasures of serving on the County Council--
29 and I know my colleagues will agree-- is recognizing the outstanding people in
30 Montgomery County who do great things, and we're privileged this morning to have a
31 number of those individuals here joining us, and it will be a pleasure to present a
32 proclamation to you on behalf of the County Council for your academic success that
33 you've demonstrated, and then I will ask your advisor and coordinator and principal if they
34 have any comments they want to make about the excellent work that's being done. I'm
35 pleased to be joined by Darryl Williams, who's the principal of Blair, and Dennis Haidler--
36 Heidler--who is the coordinator of the program, and I will be mentioning the advisor, as
37 well--Tran Pham-- who we will have a proclamation for in addition to the five students who
38 have achieved this success. So I'll read this proclamation, and Council Vice President
39 Roger Berliner is a strong champion of all things education, as is your Councilmember
40 that sends her best wishes, Valerie Ervin, who represents the Blair High School area. So,
41 this is a proclamation. Whereas the National Science Bowl is an educational event and

February 24, 2009



1 academic competition among teams of high-school students who attend science seminars
2 and compete in a verbal forum to solve technical problems and answer questions in all
3 branches of science and math, and whereas the U.S. Department of Energy sponsors the
4 regional and national events to encourage student involvement in math and science
5 activities, improve awareness of career options in science and technology, and provide an
6 avenue of enrichment and reward for academic science achievement, and whereas
7 students from Blair High School triumphed in a battle of scientific and mathematical wits
8 on January 17, 2009, at Montgomery College in Rockville, defeating 11 other teams to
9 capture the Maryland Regional Science Bowl and qualify for the National Science Bowl
10 competition in math in Chevy Chase--in May in Chevy Chase --and whereas members of
11 the Blair team, which is coached by advisor and science teacher Tran Pham, includes
12 seniors Charles Kong--please raise your hand when I--Charles Kong, Benjamin Shih, and
13 juniors Jacob Hurwitz, Anand Oza, and Benjamin Shaya, and three will be coming back,
14 so that's the formation of a great nucleus for next year, too. Whereas the Science Bowl,
15 whose questions cover seven categories at a college freshmen level, showcases the very
16 best and brightest of our freshmen scientists and engineers-- future scientists and
17 engineers, now, therefore, be it resolved that the Montgomery County Council recognizes
18 and commends Jacob Hurwitz, Charles Kong, Anand Oza, Benjamin Shaya, Benjamin
19 Shih, and team advisor Tran Pham on their impressive achievement and joins the entire
20 Blair community in celebrating the championship they have brought home to Montgomery
21 County. It's signed this day by myself, Council President, and congratulations to all of you.
22 I will present each of you with a proclamation. Tran.

23
24 TRAN PHAM:

25 Thank you.

26
27 COUNCIL PRESIDENT ANDREWS:

28 Thank you very much. Roger?

29
30 COUNCIL VICE PRESIDENT BERLINER:

31 I can at least help you here.

32
33 COUNCIL PRESIDENT ANDREWS:

34 Go ahead. OK. Well, congratulations. Well done. And we will take a group picture
35 afterward, and so--it's hard to get a candid shot, I know, when people are moving around,
36 so don't worry. We'll have a posed shot. Congratulations. Excellent work. There you go.
37 Congratulations. Good job. And...make sure. We always make sure it's the right one. OK.
38 Congratulations. Good job. All right. Let me invite the principal up first to--or however you
39 would like to do it. Mr. Heidler.

40
41 DENNIS HEIDLER:

February 24, 2009



1 I'm Dennis Heidler, the coordinator of the magnet program, and we at Blair would like to
2 thank the Council for their continued support of the outstanding, excellent education that
3 we are able to provide our students in science and math here at Blair so that we can bring
4 home proud honorees and recipients like these students, like these young men behind
5 me. It's all thanks to their hard work, their parents, and certainly the support of the staff
6 members, who have had them for many, many years.

7
8 COUNCIL PRESIDENT ANDREWS:
9 Good job.

10
11 DENNIS HEIDLER:
12 We thank you.

13
14 COUNCIL PRESIDENT ANDREWS:
15 Good job. Thank you. Good work. Mr. Pham, would you like to say a few words about
16 your--your group, your contingent?

17
18 TRAN PHAM:
19 OK. First of all, I have to say this. The magnet program in Montgomery County have
20 provide me opportunity to work with a lot of great students in the county, and with the
21 support of the county and school system, we have achieved a lot of big achievement in
22 the school in the past. I've been teaching there for 17 years, so I really enjoy working with
23 these students, and I hope they enjoy working with me, and...

24
25 COUNCIL PRESIDENT ANDREWS:
26 Did you?

27
28 COUNCIL VICE PRESIDENT BERLINER ??????:
29 All right. Silence is consent.

30
31 TRAN PHAM:
32 And especially we have Mr. Williams and Mr. Heidler--they all support my program. By the
33 way, the achievement we have today is not the student alone. It's including all the staff
34 members in the magnet program and at Montgomery Blair also. Thank you.

35
36 COUNCIL PRESIDENT ANDREWS:
37 Thank you. That's right. It really is a team effort.

38
39 TRAN PHAM:
40 A team effort.

February 24, 2009



1 COUNCIL PRESIDENT ANDREWS:

2 Team effort. All right. All right. Now let's get the students up here so they can at least--
3 let's get a--

5 NEIL GREENBERGER:

6 Can you get the team captain, maybe?

8 COUNCIL PRESIDENT ANDREWS:

9 Is the team captain here?

11 TRAN PHAM:

12 Team captain.

14 COUNCIL VICE PRESIDENT BERLINER:

15 Team captain--got to speak on behalf of his team.

17 JACOB HURWITZ:

18 OK. Well, um, we... I don't know what to say. We studied for a lot of months. A lot of hard
19 work went into this, and we won, but now we're looking forward to nationals, so a lot more
20 work ahead. Hopefully, we'll do well at nationals. They're in, what, three months now? So I
21 guess we have that to look forward to, and also next year.

23 COUNCIL PRESIDENT ANDREWS:

24 All right. All right. Good luck. All right, let's get you guys up here. Make sure you can see
25 the people with the cameras.

27 NEIL GREENBERGER:

28 Get close together. Hold up your proclamations. Got to make sure I can see...

30 COUNCIL PRESIDENT ANDREWS:

31 All right.

33 NEIL GREENBERGER:

34 OK. Can you just move in just a little closer? And we have a few other people who are
35 taking pictures--proud parents. I'm going to take a few. Just keep smiling. Even though
36 you guys get it right all the time, I don't, so I take extras.

38 NEIL GREENBERGER:

39 OK. Got several cameras flashing back there. Couple without the flash, and we'll be ready
40 to go. We're done. Thank you very much.



February 24, 2009

1 UNKNOWN SPEAKER:

2 Thank you.

4 COUNCIL PRESIDENT ANDREWS:

5 Congratulations. Thank you very much. Congratulations, guys. Have a great spring
6 semester. OK. We have one more proclamation this morning, presentation, and I'm joined
7 by Councilmember Duchy Trachtenberg, who is here to help me recognize Jorge Rivera
8 and, uh... pleasure to see you again.

10 COUNCILMEMBER TRACHTENBERG:

11 We also have, Phil, some other guests--Lilia True from Comcast, as well as Josh Bokee
12 and Fred Graffam.

14 COUNCILMEMBER FLOREEN:

15 This is the ultimate cable show.

17 COUNCIL PRESIDENT ANDREWS:

18 His colleagues, here to join and recognize the great work that--

20 COUNCILMEMBER TRACHTENBERG:

21 That's right, and I actually wanted to start some remarks by acknowledging
22 Councilmember Ervin, who had initially put the proclamation forward. She regrets not
23 being here this morning, but she is at a school-related event in her role as the chair of the
24 Education Committee. But she asked me to do this in her stead, and I'm joined by the
25 Council President. I would relate to those listening and here this morning that Jorge
26 performed what was simply a very courageous act back a few weeks ago and was
27 responsible, really, for saving the lives of many people in an apartment complex where a
28 fire had broke out. And last night as I was preparing to make the presentation this
29 morning, I went through the press clippings, and I was most taken by something that you
30 said to the press, which was that it was "nothing," that, "I've got two children at home, and
31 if they were somewhere burning, what would you do?" And I thought that was really just
32 such an incredible statement because it spoke to your courage and clearly the
33 understanding that it is community that supports families, and so I wanted to acknowledge
34 that, and I also wanted to share with you some words that were spoken a long time ago by
35 a human rights activist, Joan Curcio. "Courageous risks are life-giving. They help you
36 grow, make you brave, and better than you think you are." So I, again, want to
37 acknowledge your tremendous courage, and I'm going to ask the Council President if he'd
38 like to join me.

40 COUNCIL PRESIDENT ANDREWS:

41 Why don't you read it, and I'll make a few remarks after? How's that?

February 24, 2009



1
2 COUNCILMEMBER TRACHTENBERG:

3 OK. The County Council of Montgomery County, Maryland--whereas, there are those who
4 rise to the title of hero by unselfish acts of caring, putting aside thoughts of personal safety
5 to protect those who are in trouble, and whereas, while driving his Comcast truck to an
6 appointment, Jorge Rivera saw thick black smoke coming from the top floor of a three-
7 story White Oak Gardens apartment building in Silver Spring and quickly pulled off the
8 road, yanked the ladder off the truck, and ran to rescue those still trapped by the fire, and
9 whereas when the Montgomery County firefighters arrived, Jorge Rivera had helped about
10 six people escape the blaze, which injured two people and displaced a dozen families,
11 and whereas his action helps us realize that individuals can make a real difference in the
12 lives of others, whether in dramatic fashion or in the everyday course of normal events,
13 and whereas Jorge Rivera's courage is an inspiration to all and a demonstration that he is
14 a valuable and caring member of the community in which he lives, now therefore be it
15 resolved that the County Council of Montgomery County recognizes the heroism of Jorge
16 Rivera for keeping his head in the midst of a crisis and turning what could have been a
17 horrible tragedy into a celebration of life, and for putting aside considerations of personal
18 safety to reach out to those in need. Signed this 24th day of February in the year 2009.

19
20 JORGE RIVERA:

21 Thank you.

22
23 COUNCIL PRESIDENT ANDREWS:

24 That's great. We--we have a wonderful Fire and Rescue service in our county, comprised
25 of career and volunteers, but, you know, they can't be there at every spot immediately,
26 and it takes people like a Jorge Rivera, who saw, you know, an emergency that was--
27 could not wait for any time to elapse before action was taken and took it upon himself and
28 acted in a way that we would hope we would all act, but he did it, and he saved lives.
29 There's no question about it. It was a pleasure to meet you at the Everyday Heroes
30 celebration last week.

31
32 JORGE RIVERA:

33 Thank you.

34
35 COUNCIL PRESIDENT ANDREWS:

36 And you are truly an inspiration to the community and to your coworkers, and those folks
37 who you saved, I know, will never, ever forget you.

38
39 JORGE RIVERA:

40 Appreciate that. Thank you very much.

February 24, 2009



1 COUNCIL PRESIDENT ANDREWS:
2 Thank you very much.
3
4 JORGE RIVERA:
5 Thank you.
6
7 NEIL GREENBERGER`:
8 First of all, Jorge, would you like to say something?
9
10 COUNCIL PRESIDENT ANDREWS; Yes.
11
12 NEIL GREENBERGER:
13 And, actually, could you take off your jacket? Because I know the company doesn't get
14 enough advertising.
15
16 COUNCILMEMBER TRACHTENBERG:
17 I didn't know that. I would have asked him to take his jacket off.
18
19 JORGE RIVERA:
20 I want to say thank you to everybody, a special moment in my life. I want to thank
21 Comcast. I want to thank my family and...and just thankful for everything. Nothing bad
22 happened that day, and nobody lost their lives, and I appreciate that--well, I appreciate
23 everything, so I want to say thank you very much to everybody.
24
25 COUNCIL PRESIDENT ANDREWS:
26 Well, thank you.
27
28 JORGE RIVERA:
29 Thank you.
30
31 NEIL GREENBERGER:
32 Now if we get everybody around real tight. OK. That looks good, and we have a few other
33 people taking pictures, too, so smile for all of us. Going to take a few more. OK. Thank
34 you. Congratulations.
35
36 COUNCILMEMBER FLOREEN:
37 Mr. Council President, I'd just like to interject that this is a message to us all to never get
38 mad at a late cable guy because he may be out saving somebody.
39
40 COUNCIL PRESIDENT ANDREWS:
41 Very good.



February 24, 2009

1
2 COUNCILMEMBER TRACHTENBERG:

3 And a Montgomery Blair graduate.
4

5 COUNCIL PRESIDENT ANDREWS:

6 Oh, I didn't know.
7

8 COUNCILMEMBER TRACHTENBERG:

9 Yes.
10

11 COUNCIL PRESIDENT ANDREWS:

12 All right. I've been informed that Mr. Rivera is a graduate of Montgomery Blair High
13 School, and another great graduate of our school system. All right. We're going to now
14 move on to general business and any agenda and calendar changes and
15 acknowledgement of receipt of petitions. Miss Lauer.
16
17
18

19 LINDA LAUER:

20 This morning, there are just two little changes. On the Consent Calendar B, we just have
21 an additional sponsor. Miss Ervin wanted to be added as a sponsor for the resolution on
22 the--regarding the brick pavers in the public right-of-way. And then on the Item F, which is
23 action on the resolution to change the designation of entities for non-competitive award
24 status, we just want to clarify that Manna Food Center and the Wendt Center for Loss and
25 Healing, Incorporated, is part of that resolution.
26

27 COUNCIL PRESIDENT ANDREWS:

28 OK.
29
30
31

32 LINDA LAUER:

33 We did receive one reso--one petition, and that was from residents supporting the
34 operations and renovation of the Gaithersburg Library. That's it.
35

36 COUNCIL PRESIDENT ANDREWS:

37 Very good. Thank you very much. We're now going to move on to the Consent Calendar,
38 and is there a motion to approve the Consent Calendar?
39

40 COUNCILMEMBER FLOREEN:

41 Move approval.



February 24, 2009

1
2 COUNCILMEMBER TRACHTENBERG:

3 Second.
4

5 COUNCIL PRESIDENT ANDREWS:

6 Motion approved by Councilmember Floreen. Seconded by Councilmember Trachtenberg.
7 Is there any discussion? I do see some discussion. I'm just going to start to my left and go
8 across. Councilmember Elrich.
9

10 COUNCILMEMBER ELRICH:

11 You can add me as a sponsor to the brick paver resolution.
12

13 COUNCIL PRESIDENT ANDREWS:

14 OK. So...so done. Councilmember Floreen.
15

16 COUNCILMEMBER FLOREEN:

17 Thank you very much. I want to express my appreciation, particularly to the Council
18 President, who's been very interested in the issue of brick pavers for a long time, as I
19 have, and I know-- and to my colleagues who signed on to our resolution establishing a
20 policy for the use of brick pavers. To some people, it may seem like a small thing, but to
21 people with disabilities, to people who have mobility challenges, to people who are
22 pushing strollers, our emphasis, historically, to increase the aesthetic look of some of our
23 sidewalks have really created obstacles for important members of our community, so this
24 resolution will really set down some important rules for future decisionmaking, and I'd
25 really like to thank the Commission for People with Disabilities--I know Jackie Simon is
26 here, as a staunch advocate on this subject --the County Department of Transportation,
27 and we hope that we can get the Planning Board on line here so that we don't have to
28 delve into these details in the future. So I wanted to thank everybody for their help in this.
29 And you know, it really will be a cost-saving effort because they're expensive to maintain
30 to make them effective, and I think that this is the better direction for the County.
31

32 COUNCIL PRESIDENT ANDREWS:

33 Yes. Thank you.
34

35 COUNCILMEMBER FLOREEN:

36 So I wanted to say that, and the other item I just wanted to comment on is agenda Item 3E
37 here. This is the PHED Committee's recommendations on the OLO Report with respect to
38 the Department of Economic Development. It may be that our committee chair will speak
39 to that, but I think it is incredibly important for us, at this stage, to focus on our economic
40 development policy. We --the PHED Committee reviewed a report that had a lot of good
41 things in it, but not a clear sense of priorities or a, what I felt is strong commitment to our

February 24, 2009



1 economic development initiatives, and we've asked them to come back to us with some
2 better data, some more clarity, and hopefully we can work together to have a real
3 commitment to bringing the jobs to Montgomery County that we really need, and
4 preserving the jobs that we have in Montgomery County, to make this a sustainable
5 community. I really think this is one of our most important issues on levels of
6 sustainability, and I think we have given inadequate attention to that in the past. There is a
7 vision statement that we-- really because of our request, the County Executive developed.
8 And I think that it's a good start but doesn't go far enough, and look forward to working
9 with the County Executive and the rest of the Council on this.

10
11 COUNCIL PRESIDENT ANDREWS:

12 Thank you, and thank you for the leadership on the resolution on Item B, which is
13 regarding the use of brick pavers. The Commission for People with Disabilities has
14 brought this to our attention over the last couple years, I'd say, and it's a serious safety
15 issue and mobility issue for people with disabilities, and what this measure would do is
16 restrict where brick pavers can be used so that our sidewalks are safe for everybody to
17 use, and that is just--certainly should be the leading criterion that we apply as to whether
18 our sidewalks are successful. And it will save money, as well, so it is a win-win, and
19 appreciate the leadership of the Commission for People with Disabilities and
20 Councilmember Floreen in bringing this to the Council. Thank you. Councilmember
21 Knapp.

22
23 COUNCILMEMBER KNAPP:

24 Thank you, Mr. President. I appreciate Councilmember Floreen's comment as it relates to
25 the OLO report on the Department of Economic Development review of budget and
26 strategies. I see that Mr. Leventhal's light is on. I'm guessing he will likely speak to this. He
27 was the sponsor, or the requestor, of that report, and I thank him very much for that. The
28 committee, when we got to last year's budget, had a recommendation from the executive
29 branch to eliminate 10 positions from the Office of Economic Development--or the
30 Department of Economic Development--and we struggled, as the economy was obviously
31 starting to falter, but we didn't find that we had enough information or data as a result of
32 not having a lot of conversations with them previously to be able to have a good dialogue
33 as to where those positions were, why those positions were important, or why those
34 positions were no longer important, and it seemed somewhat counter-intuitive to us. And
35 so as a result of that, we've had a series of worksessions through last summer. Mr.
36 Leventhal has asked for the study, and OLO has done a great job of presenting us a
37 series of options, and we had a very good worksession last week with Department of
38 Economic Development, and there are a number of things, I think, that we are looking to
39 the Department to come back to us on, not the least of which is the priorities, as Ms.
40 Floreen has identified, but really to work together with us so that we as a county have a
41 vision as to what we're doing in economic development to both attract-- as it relates to the

February 24, 2009



1 conversation we had as a Council two weeks ago--firms like we looked at with Hilton
2 ????? and other potential opportunities that are out there, but also to retain those firms
3 locally that are being wooed by other jurisdictions. Right now, I know of a number of life
4 sciences companies that are--because of the success we've had as a region, who are
5 being attracted by other states, who are saying, "We'd like to get some of that, too." And
6 so, effectively, we're cultivating companies here, and then others are coming in kind of at
7 midstage of development and saying, "Hey, we'd really like you to come to our place," and
8 giving them fair amounts of money to do that. And so it's important for us to have a real
9 strategy in place to not just attract, but really to retain those companies that we've really
10 invested in our growth early on. And so I thank OLO for their efforts in this, and I thank the
11 committee for their efforts in really focusing on this issue and Mr. Leventhal for requesting
12 the report. There's another item, D, which is a resolution to amend the OLO Work
13 Program, which I think is fine. I just wanted to ask a question. In it, one of the elements is
14 looking at, uh...."prepare research briefs on the use of furloughs and voluntary departure
15 incentives," I think we all know what the furloughs are, but I just wanted to get some clarity
16 as to "voluntary departure incentives." I'm not necessarily sure that that's language that
17 we've used. I think it's something that we should be exploring. I just wanted to make sure
18 we knew what that was.

19
20 COUNCIL PRESIDENT ANDREWS:

21 Yeah. That's essentially early retirement.

22
23 COUNCILMEMBER KNAPP:

24 That's what I thought, because we had the RIP program that we used last year, and so is
25 that building on--looking at things like that, or are there other things?

26
27 KAREN ORLANSKY:

28 The language-- actually, you'll pick up any newspaper, you'll see V-DIPS, V-SIPS, V-TIPS.
29 There's lots of things--voluntary departure incentive programs, voluntary termination
30 incentive programs. It's to get at some of the different mechanisms showing up that are
31 not only for retirement age, but for pre-retirement age. Sometimes they're called buyouts.
32 There are various things where employees--the focus here, as I understood it, was to look
33 at various strategies being used-- alternatives to layoffs--where employees are seeing it is
34 in their interest to step forward and say, you know, "I will leave." OK?

35
36 COUNCILMEMBER KNAPP:

37 OK. Good. Thank you. I look to--look forward to that with interest. We're going to have to
38 some--

39
40 KAREN ORLANSKY:

41 It doesn't exactly roll off your tongue.

February 24, 2009



1
2 COUNCILMEMBER KNAPP:

3 No, it doesn't, but I just wanted to make sure I understood what it was before we approved
4 it. Thank you very much.

5
6 COUNCIL PRESIDENT ANDREWS:

7 OK. Thank you. Councilmember Leventhal.

8
9 COUNCILMEMBER LEVENTHAL:

10 Thank you, Mr. President. I don't want to belabor the discussion about the OLO report. I
11 agree with everything that Councilmember Floreen and Councilmember Knapp have said
12 regarding the need to focus and enhance our economic development strategy. I did
13 appreciate OLO's work in response to my request for this report. And I also want to chime
14 in very quickly on the issue of the brick pavers, and I really was very, very glad to get the
15 message from Councilmember Floreen and Council President Andrews on this resolution.
16 It is important as a matter of policy. It's important to let our disabled residents know that
17 we hear them and that we want to provide equal access to all facilities and all streets and
18 provide safe access. I think it's also important for another reason, and that is very simply
19 that we are the policymaking body for Montgomery County, according to the charter. And
20 we've had dialogue with the Planning Board on this issue over some period of time, and
21 we discussed it very clearly in the T&E Committee, and we gave clear guidance from the
22 T&E Committee, and that guidance wasn't followed. And at some point, you know...we
23 appreciate that we have an independent Planning Board. We appreciate the professional
24 capabilities of the staff and the commissioners, but we need to win this argument, and this
25 is the right thing to do. I'm glad that we're introducing the resolution. It's certainly
26 something that we need to continue to watch carefully. I think it is indicative of some
27 unfortunate disagreements that sometimes arise between the two institutions, and at
28 some point, the County Council, no pun intended, needs to put its foot down, and in this
29 case, I think it was absolutely the right thing to do, so, um....so I commend the two
30 sponsors, the Council President and Chairwoman Floreen, for their efforts.

31
32 COUNCIL PRESIDENT ANDREWS:

33 Thank you. Thank you very much. Couple--I have a couple other comments I want to
34 make. One is, I'll note that Action G of the Consent Calendar is an action that's a
35 resolution to amend Resolution 16-577, and it would shift 500,000 in recordation tax
36 revenues from rent subsidies to emergency rental assistance to reflect the greater need in
37 the community right now for that emergency assistance, and that's an approval--a motion
38 that came to us from the PHED and the HHS committees. And I also want to note that
39 we're approving a number of appointments today to various boards and commissions. We
40 have so many dedicated people in Montgomery County who step forward to serve in a
41 number of capacities, most of them volunteer boards and commissions, and I'm just going

February 24, 2009



1 to read the names since I think we need to recognize what these folks are doing. Joyce
2 Glenner is being appointed to the Adult Public Guardianship Review Board, Arnold Tunis
3 and Robert Henne to the Animal Matters Hearing Board, Richard Takamoto to the
4 Commission on Health. On the Commission on Juvenile Justice, Wendy Pulliam, Robert
5 Goldman, Elijah Wheeler, and Gladstone Marcus. On the Human Rights Commission,
6 Melissa Jamison, Betsy Jett, Tina Patterson, Suresh Gupta, Hermann Wendorff. To the
7 Solid Waste Advisory Committee, Odell Hall, Steven Sprague, Sara Ducey, Susan
8 Filocco, Edward Violette, and Kurt Osuch. To the Victim Services Advisory Board, Brad
9 Nes, Naureen Weissman, Tazeen Ahmad, Debbie Kempl, Judith Whiton, Norman
10 Workman, Kareem Davis, Samantha Davis, and Parker O'Shea. And to the Wheaton
11 Urban District Advisory Committee, Eric Aldrette. And we thank them all for their
12 willingness to serve, and we will be voting on their appointments to confirm them as we
13 approve the Consent Calendar. I see that Councilmember Floreen has a comment or a
14 question.

15
16 COUNCILMEMBER FLOREEN:

17 Yes. Thank you, Mr. President. I just wanted to thank you for doing this because we owe
18 such a debt of gratitude to the volunteers on all these boards and commissions, and they
19 put in a tremendous amount of time out of enthusiasm and commitment and heart. We
20 don't give them a penny. I think we charge them for parking, probably. But they add
21 tremendously to the quality of our decisionmaking and the quality of life in Montgomery
22 County, and I think it's right that we say their names out loud and thank them publicly, so
23 thanks for doing this. I think it's a good beginning.

24
25 COUNCIL PRESIDENT ANDREWS:

26 Thank you. OK. We are ready, I believe, to vote on the Consent Calendar. Right? OK. All
27 those in favor of the Consent Calendar, please raise your hand. That is--let's see.
28 Councilmember Elrich, Councilmember Trachtenberg, Councilmember Floreen, myself,
29 Council Vice President Berliner, Councilmember Knapp, and Councilmember Leventhal.
30 Consent Calendar is approved. We'll now move on to the legislative session, day number
31 eight of the year, and introduction of bills. Expedited Bill 6-09, Home Energy Loan
32 Program, the establishment of that, sponsored by Councilmembers Berliner, Elrich, Ervin,
33 and Trachtenberg, and Council Vice President--

34
35 COUNCILMEMBER FLOREEN:

36 And Floreen.

37
38 COUNCIL PRESIDENT ANDREWS:

39 And Floreen. OK. And Council Vice President Berliner has a comment.

40
41 COUNCIL VICE PRESIDENT BERLINER:

February 24, 2009



1 And Councilmember Leventhal.

2
3 COUNCIL PRESIDENT ANDREWS:
4 OK.

5
6 COUNCIL VICE PRESIDENT BERLINER:

7 So let me, if I could, very briefly just share with my colleagues, I'm probably more excited
8 about this legislation than any other environmental energy initiative that I've been
9 associated with. I think we have a unique ability, through this measure, to provide
10 incredible relief to our homeowners who are struggling with skyrocketing utility bills, that
11 we are going to be able to reduce our carbon footprint, and that we are going to be able to
12 put struggling homebuilders who are out of work to work. We are going to have a greener
13 economy, we are going to have a greener environment, and we are going to be putting
14 money in our homeowners' pockets --all at the same time, at no cost to the county,
15 through the good work of Congressman Chris Van Hollen. He amended legislation in the
16 stimulus bill that will allow us to access federal dollars for this purpose. We will also be
17 able to access block grant dollars that are precisely for energy efficiency and
18 conservation. So there should be no cost to the county to create a revolving fund that we
19 can then use over and over again to help our homeowners put in energy efficiency
20 measures at zero percent interest and solar. So we can create an energy-efficient home,
21 more solar, at no cost to the county. I'm really quite pleased and grateful to my colleagues
22 for their support with respect to this, and looking for--the business community has
23 expressed a great deal of support with respect to it. The real estate community is happy
24 that they will be able to market homes that are now going to be energy efficient. So I really
25 think this is one of those classic win-win-win situations, and I'm pleased that we're moving
26 forward with it, and pleased that it was the top priority of the Sustainability Working Group.
27 So I thank my colleagues and look forward to getting this initiated right away so that when
28 the federal dollars are available, the county is ready to go. Thank you.

29
30 COUNCIL PRESIDENT ANDREWS:

31 OK. Thank you, Vice President Berliner. And that is introduced without objection. We're
32 now on to the next bill for introduction, Bill--

33
34 COUNCILMEMBER FLOREEN:

35 Can I say something on this one?

36
37 COUNCIL PRESIDENT ANDREWS:

38 Oh, I'm sorry. Did you have a comment on that?

39
40 COUNCILMEMBER FLOREEN:

41 Yeah.

February 24, 2009



1
2 COUNCIL PRESIDENT ANDREWS:

3 I'm sorry. Councilmember Floreen.
4

5 COUNCILMEMBER FLOREEN:

6 Yes. I just wanted to compliment Councilmember Berliner on pushing this so aggressively,
7 and I wanted to point out that I think that this is going to open up a whole jobs program
8 within Montgomery County and the region, for people to do this work. Speaking as
9 someone who has recently gone through this effort, there's a lot to be learned in
10 implementing the details, and I think it's going to be a tremendous choice of employment
11 for folks who are in the workforce right now and looking for alternative employment,
12 certainly in the construction industry. Folks who have been really buffeted by these
13 economic times should be in a position to deliver to Montgomery County residents the
14 kinds of craftsmanship that we're all looking for. So I think this is a--timing is tremendous,
15 and it achieves so many goals on behalf of Montgomery County.
16

17 COUNCIL PRESIDENT ANDREWS:

18 Thank you. All right. Councilmember Knapp? You're on the next one. OK. We're now
19 ready for introduction of Bill 7-09, Schools and Camps, Workforce Investment
20 Scholarship, sponsored by Councilmember Knapp, and I turn to Councilmember Knapp.
21

22 COUNCILMEMBER KNAPP:

23 Thank you, Mr. President. I would also like to commend Councilmember Berliner for his--
24 the introduction of the previous bill. I think it's a very good idea. I've had a number of
25 conversations with folks, and I think it's something the Council needs to look at very
26 seriously and try and enact as quickly as we can, and so I thank you for your efforts on
27 that. Also, as we continue to talk in the areas of stimulus and what are we trying to do to,
28 obviously, weather the existing storm, but also make sure that we're in a position to take
29 advantage of things when the economy comes back, which it will one day, hopefully
30 sooner than later. One of the things I think is very important for us to look at is, how are
31 we investing in our people? And to that end, one of the things that I think we need to look
32 at is, how--what are the job areas that we need to focus on in this county, and how do we
33 make sure that the talent that we have in this county actually stays in this county? And so,
34 to that end, one of the things I am introducing today, with the support of Councilmember
35 Leventhal and Ervin and others, if you're so interested, is an "areas of need" scholarship--
36 as we've talked about, a Workforce Investment Scholarship, which would create a work--
37 create a four-year scholarship, two years at Montgomery College, and two years at the
38 Universities at Shady Grove, to students who pursue a line of study at a Maryland
39 institution-- primarily those two Maryland institutions--that meet one of the top 10 high-
40 demand occupations in the county, as determined by the Montgomery County Department
41 of Economic Development. After graduating, recipients would agree to work in



February 24, 2009

1 Montgomery County in their area of expertise for at least four years, create a workforce
2 investment board scholarship board to administer the program, and at full capacity, as
3 proposed right now, would provide scholarships for 50 students. I know a lot of folks are
4 saying, "Gee, can we do this?" Well, one of the biggest things that we have seen in the
5 stimulus package is a focus in education and investment in people, and I think it's
6 important for us to make sure that we apply that at the local level. Three years ago,
7 Montgomery County resident and CEO of Lockheed Martin, Norm Augustine, chaired a
8 group for the National Academy of Sciences called Rising Above the Gathering Storm
9 which outlined the things that we need to do for our workforce to make sure we are
10 focusing on science, engineering, and mathematics so that we are really focused on the
11 future. Congress, at a high level, has worked to authorize a number of these programs,
12 but practically, many of the things that are outlined in that report are things that have to
13 happen at the local level, like hiring teachers, like focusing on training those teachers in
14 science, mathematics, and education, as our colleague Mr. Elrich knows so well, making
15 sure to increase the number of students who are passing AP and IB classes. And so--
16 what I've done here in the first element is to outline the scholarship program and hope to,
17 in the coming weeks, have legislation that will address a number of the other things that
18 have been outlined in this report, to make sure we're actually not just taking a high-level
19 approach to this, but really focusing on the local level, investing in our workforce and
20 making sure that we have a--our students are graduating from Montgomery County public
21 schools, from Montgomery College, and the Universities at Shady Grove ready to move
22 into our workforce and be successful to make sure our county continues to grow and
23 thrive. And so I thank Mr. Leventhal and Ms. Ervin for their support and look forward to
24 debating this with my colleagues in the coming weeks. Thank you.

25
26 COUNCIL PRESIDENT ANDREWS:

27 Thank you, Councilmember Knapp. We are now ready--the bill is introduced. We are now
28 ready for the next item, which is Item 5, Call of Bills for Final Reading, Bill 1-09. Finance -
29 Spending Disclosure. That's sponsored by Council Vice President Berliner, myself, and
30 Councilmember Elrich, and the MFP Committee is recommending approval with
31 amendments, and I turn to the chair of the MFP Committee, Councilmember
32 Trachtenberg.

33
34 COUNCILMEMBER TRACHTENBERG:

35 OK. Thank you, President Andrews. The bill before us is being recommended for
36 enactment unanimously by the MFP Committee. I'm going to go through a little bit of the
37 discussion that developed the two times that it was up for discussion within the committee,
38 and of course, there was one public hearing, back in early February on the bill, as well.
39 The bill would simply require the county to develop and operate a searchable public
40 website displaying information on certain county payments to contractors and grantees,
41 and the threshold on the amount would be \$25,000. For that or anything above, there

February 24, 2009



1 would be information available. Basically, it would provide information to the general
2 public. It would not make information available specific to MCPS, Park and Planning, or
3 WSSC. The bill covers county government, and that's an important thing to note. It's
4 certainly similar to some legislation, and consequently some websites, that have been put
5 into place by both the state of Maryland and the federal government. The two issues that
6 came up in conversation, again, during worksessions--one was a conversation about the
7 effective date. The County Executive requested that the date be delayed to September 1,
8 2010, reason being that since there were resources--investments being made for the
9 development of the ERP system, that it would actually cost less money if we waited.
10 Rather than an \$85,000 investment to do this, it would come down to about 50,000. That
11 was the projection provided. So the recommendation from the committee was to amend
12 the effective date of the bill to September 1, as requested by the Executive branch. Again,
13 the other issue that came up was the threshold of \$25,000 and whether or not we should
14 decrease that and lower it to 10,000, but it would seem, from what was provided to us
15 from the Executive branch, that that wouldn't really help us that much, since most of,
16 really, what we're looking at and wanting to track is over the \$25,000 threshold. There was
17 one issue that was brought to my attention by Mr. Drummer this morning specific to the
18 language in the bill. I'm going to ask him to explain, but on Circle 3, there's a date that
19 needs to be changed.

20
21 **ROBERT DRUMMER:**

22 Thank you. Yeah, there's a typo both in the memo and in the bill as to the effective date.
23 The effective date would remain September 1, 2010, but it says it will apply to payments
24 made in or after Fiscal Year 2010. The Executive was requesting not 2010, but 2011, so
25 that it--when it becomes effective in September 2010, then we'd go back two months, and
26 not go back 14 months. So on line 29, changing the second time you see 2010, on line 29,
27 to 2011, would be what we're requesting, that that was a mistake. It should have said
28 2011.

29
30 **COUNCILMEMBER TRACHTENBERG:**

31 So again, the committee is recommending enactment of the bill, and with that one small
32 housekeeping change, as well.

33
34 **COUNCIL PRESIDENT ANDREWS:**

35 Thank you. Council Vice President Berliner.

36
37 **COUNCIL VICE PRESIDENT BERLINER:**

38 I just want to thank the chair and the committee for their work with respect to this, as well
39 as the cooperative spirit of the Executive branch. I was pleased to be able to
40 accommodate their desire with respect to extending the implementation date if the
41 resources are important. This legislation, as my colleagues know, really was an Obama

February 24, 2009



1 piece of legislation in the Senate that became law. I think then our senator, Jamie Raskin,
2 carried it in the Maryland State Legislature, and it's become law in Maryland, and we are--
3 I'm pleased that we are now following suit. It is all about transparency and making sure
4 that our citizens have a great deal of comfort about where their dollars are being spent,
5 and I think this is a move forward for a good, clean government that I know is a passion of
6 our Council President.

7
8 COUNCIL PRESIDENT ANDREWS:

9 Thank you very much. And I want to note that Councilmembers Trachtenberg and Ervin
10 were also co-sponsors of the Bill 1-09, so if there's no other discussion on the measure, I'll
11 simply add that it is a basic openness measure to ensure that our taxpayers can find out
12 where their money is being spent-- easily, online--for any significant amount of spending.
13 And it will make it much easier to do so, and it is something that's already being done at
14 the federal and state level, and it's time that we did it, as well, and I thank you for your
15 leadership. OK. We're ready for a vote on this bill. Will the clerk please call the roll?

16
17
18
19 CRYSTAL BROCKINGTON:
20 Mr. Elrich.

21
22 COUNCILMEMBER ERVIN:
23 Yes.

24
25
26
27 CRYSTAL BROCKINGTON:
28 Miss Trachtenberg.

29
30 COUNCILMEMBER TRACHTENBERG:
31 Yes.

32
33
34
35 CRYSTAL BROCKINGTON:
36 Miss Floreen.

37
38 COUNCILMEMBER FLOREEN:
39 Yes.

February 24, 2009



CRYSTAL BROCKINGTON:
Mr. Leventhal.

COUNCILMEMBER LEVENTHAL:
Yes.

CRYSTAL BROCKINGTON:
Mr. Knapp.

COUNCILMEMBER KNAPP:
Yes.

CRYSTAL BROCKINGTON:
Mr. Berliner.

COUNCIL VICE PRESIDENT BERLINER:
Yes.

CRYSTAL BROCKINGTON:
Mr. Andrews.

COUNCIL PRESIDENT ANDREWS:
Yes. So that is--passes at 7-0. Thank you. And let me note also that on the bills that were introduced, there is a public hearing scheduled for March 24 at 1:30 on Expedited Bill 6-09, the Home Energy Loan Program, and there is a public hearing scheduled that same afternoon at the same time for the Bill 7-09, Schools and Camps, Workforce Investment Scholarship, sponsored by Councilmember Knapp. So those public hearings will be scheduled for those days. We'll now move on to the District Council session and introduction of Historic Preservation Amendment 09-1, Historic Resource Preservation - Amendments, sponsored by Councilmember Knapp, and a public hearing is scheduled for March 31 at 7:30 on that. And Councilmember Knapp.

COUNCILMEMBER KNAPP:



February 24, 2009

1 Thank you, Mr. President. As I think most of my colleagues are aware, as we debated a
2 series of amendments to Historic Preservation Master Plan, to Goshen and Damascus
3 and for others, over the course of the last few months, there were a number of questions
4 that my colleagues raised, there were a number of questions that I had, and concerns, as
5 we went through the process, and as a result of those discussions, I have tried to craft a
6 bill which I think captures the things I heard. It is by no means--I don't expect that this will
7 be necessarily the form that everything ultimately passes in, but it is a starting point for our
8 discussion, and what I hope that it does is to really clarify--how did you say this, Jeff? We
9 want to, um...

10
11 JEFF ZYONTZ:
12 Make a...

13
14 COUNCILMEMBER KNAPP:

15 "Want to make it more precise, concise, and decisive in its descriptions of process and
16 delegations of authority." And so that is really the effort in particular, so that everyone who
17 is participating in the historic preservation process is fully informed and understands what
18 the pieces are at any point along the way, and so it is my hope that this legislation will
19 help us to do that. If my colleagues have further thoughts or considerations throughout the
20 process, I would urge them to let me know or let the committee know as we work through
21 it, because I think that at the end of the day, as the decisionmakers, we need to feel
22 comfortable with what the process is and the decisions that we're making, and this is an
23 effort to try and get us to a better--better outcome in that respect. And so I thank Mr.
24 Zyontz for helping us to help me to draft this and look forward to the deliberation of this in
25 the coming weeks.

26
27 COUNCIL PRESIDENT ANDREWS:

28 Thank you, Councilmember Knapp. And the bill, the resolution, is introduced without
29 objection. All right. We're now going to move on to--the amendment, I should say, is
30 introduced without objection--on to our action on the Property Use/Smart Growth Initiative,
31 and the Public Safety and Transportation and Environment Committees have been
32 working on this issue together since the initiative covers many different projects, most of
33 which are issues that the committees deal with and departments that the committees deal
34 with. And Councilmember Floreen and I are going to divide this up, and I'll start off with
35 some of the recommendations regarding the proposals to consolidate public safety
36 functions, and then Councilmember Floreen, who chairs our Transportation, Infrastructure,
37 and Environment Committee, will talk about the departments that are affected by the
38 movement at the Shady Grove Metro and associated area. But before I do that, I want to
39 ask Linda McMillan, who has been our legislative analyst on this issue, whether she has
40 any opening comments to make.

February 24, 2009



LINDA McMILLAN:

Just to be clear that while this is a very broad proposal, what's coming to the Council today is really what has been the subject of the first worksessions for the joint committee. So for anyone listening, we're not discussing the Webb Tract today, we're not discussing several other aspects of the proposal. What you have before you today are the issues related to the relocation of the liquor warehouse, the relocation of the Equipment Maintenance and Operations Center, and planning funds for the relocation of the MCPS Bus Maintenance Depot and the Park and Planning Maintenance Depot and the County Radio Shop, and also--I know it will probably get touched on, but the original proposal that was the table to possibly relocate the MCPS Bus Depot to the Gude Landfill has been withdrawn by the County Executive. The committees were informed of that at their first worksession, so there isn't really any deep discussion of that in the packet because that is off the table. And I know that the T&E Committee has actually already had their follow-up meeting related to the concerns brought by citizens about the current conditions at the landfill, and so I know the committee--T&E Committee-- is following up on that separately.

COUNCIL PRESIDENT ANDREWS:

This is just so everybody is aware, the Council is poised to take action today on these items that are before us, unless the issues arise that the Council feels need more consideration. So...

LINDA McMILLAN:

And there are, within the packet, three action items. There is a resolution that is amendments to the CIP that do not require supplemental appropriation, so that's really the closeout of your existing projects and the new project for the liquor warehouse, because that is not appropriated through the capital budget. There is a resolution for the items that have a supplemental appropriation related to it-- for example, the new Equipment Maintenance and Operations Center--and there is a resolution to increase the authorized level of liquor bonds because that's necessary in order to fund the relocation of the liquor warehouse. So there are three resolutions within the packet that you would be acting on in the package,

COUNCIL PRESIDENT ANDREWS:

OK. Thank you. Just a little bit of history here--this initiative is driven, at least in part, by the Shady Grove Sector Plan, which calls for a substantial amount of housing, especially, to be built at the Shady Grove Metro Station area, which--to do so under the full vision of the plan requires moving a number of the industrial facilities that are currently located near

February 24, 2009



1 the Metro--Shady Grove Metro. And so that is a large part of what is driving this, as well
2 as the desire to consolidate some functions that are in space that's inadequate right now,
3 such as the Public Safety--the Police Headquarters, which is in a very old building in need
4 of renovation that needs to be dealt with and which would be consolidated under this plan
5 at the office building on the old National Geographic site off Darnestown Road. The
6 relocation of the First District Police Station, which is also a station that dates back about
7 40 years. And so, another part of this-- a goal, I know, of the Executive branch, is to find
8 better space and adequate space and up-to-date facilities for many of our important public
9 agencies. So I will start off with a summary of the recommendations that are public-safety
10 related, and we'll see if there are questions about those, and then I'll turn to
11 Councilmember Floreen for a summary of the recommendations related to the bus depot,
12 the EMOC facility, Casey 6 and 7, and so on. So if you look at page two of the packet, you
13 see that one of the recommendations, the first recommendation listed, is to approve
14 purchase of the Finmarc warehouse at the GE Tech Park for use as the Department of
15 Liquor Control's warehouse. The agreed-to purchase price of the warehouse is 32.7
16 million. The total cost of the project is just over 49 million. The Finmarc warehouse does
17 meet the needs identified in the Program of Requirements for the liquor warehouse. Our
18 current liquor warehouse does not meet industry code in terms of refrigeration, it does not
19 meet safety requirements in some respects, and it's inadequate in terms of its size. So we
20 need a new facility. We need a better facility. The warehouse that is currently located on
21 the Finmarc site is refrigerated, is used as a warehouse, will meet the space needs, the
22 safety needs, and so it is a good reuse of that facility. It's currently used by Peapod,
23 Giant's Peapod Services, for storage and delivery. So that is the first element there. The
24 Finmarc warehouse, as the packet notes, is about 200,000 square feet, and I know that
25 the representatives who have joined us here from the Executive branch--Diane Schwartz-
26 Jones is here--Why don't you join us at the table? --has been working very hard on this
27 project for months, and has indicated that there will be some affirmative efforts to screen
28 the facility so that it's better screened than it is now from neighbors, and the loading dock,
29 I believe, will be moved so that it's away from the residences that are on one side of the
30 facility, and that it will actually, the reuse, have less impact--or it should have less impact
31 on the existing community than the current use of the warehouse does. And let me just
32 turn to Miss Jones and see if she has any comments she wants to make.

33
34 DIANE SCHWARTZ-JONES:

35 Just to clarify that--you've essentially stated it. The-- we have been out to the site, and we
36 do believe that as the site currently exists, the trees that are behind the warehouse,
37 between the warehouse and the adjacent residential community, are just inadequate for
38 the kind of screening that we would want to see, so we do intend to have a landscape
39 plan. We will beef up that screening through landscaping. There are a number of loading
40 docks at the-- associated with that building, and I don't know that we're actually moving
41 the loading docks, per se, as much as that we are only--we're going to be using the

February 24, 2009



1 loading docks that are farthest away from the community in order to minimize any impact
2 that currently exists on the community. The only other thing I would add is that our reuse,
3 from a transportation perspective, should have a dramatic decrease on any community
4 impact because the truck traffic that exists on the weekends and in the evenings will not
5 exist under our use.

6
7 COUNCIL PRESIDENT ANDREWS:

8 Good. Good. OK. Councilmember Knapp, do you have a question about this particular
9 item?

10
11 COUNCILMEMBER KNAPP:

12 Yes. Thank you, Mr. President. Couple questions. On its face, I think this actually makes a
13 lot of sense. I just wanted to kind of walk through where we've been and where we got to,
14 because we had programmed the reconstruction of the existing liquor warehouse a few
15 years ago, and that was going to be funded all through liquor bonds, as I recall. And what
16 was the cost of that project at that time? Does anybody... Let's see.

17
18 COUNCIL PRESIDENT ANDREWS:

19 Please. We're joined by Jennifer Barrett, Director of Finance.

20
21 JENNIFER BARRETT:

22 The PDF shows a lower number because we never update it, but it got up to \$10-11
23 million range.

24
25 COUNCILMEMBER KNAPP:

26 That's what I thought. It was \$10-12 million range. Yeah. OK. OK. And so that was going
27 to be an easy thing for liquor--for them to pay back. We're up now to a \$15 million project.
28 What kind of capacity do we have with liquor bonds to be able to do that and their ability to
29 do that, actually make the payments on that over a period of time? Or are we having to
30 subsidize that in some way?

31
32 JENNIFER BARRETT:

33 We have reviewed that, and they do have the capacity. That's taken into account in the
34 budget. OMB and Finance and Liquor Control were part of that review to show that they
35 had the capacity to afford this. I mean, this is money directed to this purpose, rather than
36 going to the General Fund, as you know.

37
38 COUNCILMEMBER KNAPP:

39 Right. I guess that's the question. So...is there any existing capacity within our ability to
40 issue additional revenue bonds, liquor revenue bonds, in the future? I mean, I don't know.
41 I'm trying to get a sense of--

February 24, 2009



1 JENNIFER BARRETT:

2 I don't recall the details of how much it--I mean, what we assumed was the \$80 million or
3 so program for transportation plus the proposed expenditures for the liquor warehouse
4 land and renovation.
5

6 COUNCILMEMBER KNAPP:

7 That should probably get us--that should meet kind of our existing bond capacity for liquor
8 bonds for the foreseeable future?
9

10 JENNIFER BARRETT:

11 It's a coverage-ratio issue for the revenue stream, yes.
12

13 COUNCILMEMBER KNAPP:

14 OK.
15

16 JENNIFER BARRETT:

17 But I don't recall whether there was any more on top of that. I just don't recall the
18 numbers.
19

20 COUNCILMEMBER KNAPP:

21 I guess that's the--
22

23 COUNCILMEMBER FLOREEN:

24 Worth investigating.
25

26 COUNCILMEMBER KNAPP:

27 Pardon?
28

29 COUNCILMEMBER FLOREEN:

30 Worth investigating.
31

32 COUNCILMEMBER KNAPP:

33 Well, I just want to check. I mean, we've got a difficult CIP, and we're going to--and we
34 don't have a lot of things that are out there, and I just wanted to make sure if we know--if
35 we've kind of sucked all the air out of that room that we know that we're not going back
36 there for a while--that we've, between transportation and this project, we're done for the
37 foreseeable future unless there's something significant--
38

39 JENNIFER BARRETT:
40



February 24, 2009

1 I guess we're probably done for now, but you know, in this--in this economic climate, but
2 that's not a precise answer about the exact amount of capacity that may be there. So I just
3 don't know recall.

4
5 COUNCILMEMBER KNAPP:

6 Can we get that answer?

7
8 JENNIFER BARRETT:

9 I think we can look--yeah, I think... I don't know if it's been updated, but we can get back to
10 you on that.

11
12 COUNCILMEMBER KNAPP:

13 OK. That'd be good to know. I mean, if we're going to just--I think it's important for us to
14 know, when we're closing off potential funding mechanisms, that we know we've just done
15 that. The other thing I wanted to check on is...on its face, this seems to be a great move
16 for Liquor Control. Is the capacity there for any potential expansion or any--When we first
17 talked about doing a liquor warehouse four or five years ago, that was going to be an
18 interim solution in hopes that at some point in the next 10 or 12 years, we were going to
19 find a really good place to locate them. And that was the plan, and so this sounds like this
20 is a really good place to locate them. Does this kind of meet the foreseeable needs that
21 Liquor Control can identify?

22
23 DIANE SCHWARTZ-JONES:

24 The answer is, yes, it does, and I'd like George to speak more specifically to it, but I want
25 to address the fact that the 200,000 square feet in and of itself meets it. There's also the
26 ability to make adjustments within a mezzanine that is in this building to create additional
27 capacity.

28
29 COUNCILMEMBER KNAPP:

30 OK.

31
32 LINDA MCMILLAN:

33 And the 200,000 square feet is actually a bit more than was identified in the Program of
34 Requirements, so there is room for some further expansion.

35
36 COUNCILMEMBER KNAPP:

37 And that was for the POR for the...

38
39 LINDA MCMILLAN:

40 For the expansion and improvements on the current site. There was a Program of
41 Requirements that came to about 175,000 square feet.

February 24, 2009



1
2 COUNCILMEMBER KNAPP:

3 OK. Well, and that's what I wanted to check, because that was always kind of thought to
4 be an interim solution, and so, while that POR probably had a lot more stuff than you've
5 got right now, is that the POR that you would have wanted to have, and do we address
6 kind of all the issues that you would have out there?
7

8 GEORGE GRIFFIN:

9 You know, it-- thank you. The...
10

11 COUNCIL PRESIDENT ANDREWS:

12 Tell us who you are. We know, but we want everyone else...
13

14 GEORGE GRIFFIN:

15 I'm sorry. George Griffin, Director of Liquor Control. Thank you. The two real questions for
16 our department to answer, to get back to the Executive office, was, does this site meet our
17 needs and our capacity in terms of size and location? Is it, you know--logistically, does it
18 work? And the answer to both was yes. I mean, we have about 160,000 now. We're
19 getting 200,000, and frankly, the 200,000 layout is superior to what we have now because
20 it's been chopped up and... You know, so we feel for the foreseeable future, it would
21 certainly meet our needs. And the location is --is perfectly good. It's ideal --centrally
22 located. We do not have--we--actually, we don't use the interstate, so that the fact that
23 we're not right on 270 doesn't bother us because our trucks don't use 270 anyway.
24

25 COUNCILMEMBER KNAPP:

26 OK. It says here that the project--so it's a \$32 million purchase price for the warehouse,
27 and the project is a \$49 million project, so what's the additional \$17 million doing?
28

29 DIANE SCHWARTZ-JONES:

30 The additional 17 million.
31

32 JENNIFER BARRETT:

33 Oh, I understand. But it's design renovation. I would just expect DGS to answer, not me.
34 Yes.
35

36 HAMID OMIDVAR:

37 That's the cost of building the--
38

39 COUNCIL PRESIDENT ANDREWS:

40 Go ahead and introduce yourself.
41



February 24, 2009

1 HAMID OMIDVAR:

2 Hamid Omidvar, with DGS. I apologize. That's the cost of bringing the building, the
3 systems of the building, up to date, if needed by code, and then, obviously, retrofitting
4 200,000 square foot, for, you know, modified for the--for the new use, rather than the
5 current use that the Giant has. So it's a renovation of 200,000 square foot.

6
7 COUNCILMEMBER KNAPP:

8 That's just interesting. It's going to cost us more to renovate the building that kind of fits it
9 well than it was going to cost us to redesign the existing warehouse, but...

10
11 HAMID OMIDVAR:

12 The redo--the existing warehouse project was just addition of 50,000 square foot of
13 temperature control, not renovating the current facility.

14
15 COUNCILMEMBER KNAPP:

16 OK. All right. Does--is there any-- I don't think this would be the case, but in--if the rest of
17 the pieces identified here, with the GE Tech Park and that stuff --for some reason, if that
18 were not to occur, does that have any implications as to anything with this property at all?

19
20 DIANE SCHWARTZ-JONES:

21 None whatsoever. They are separate properties under separate ownership, treated
22 separately-- separate allocations of density, totally separate.

23
24 COUNCILMEMBER KNAPP:

25 OK. And the access is all good, and...

26
27 DIANE SCHWARTZ-JONES:

28 The access - there's no access issues.

29
30 COUNCILMEMBER KNAPP:

31 OK. All right. Thank you very much. Thank you, Mr. President.

32
33 COUNCIL PRESIDENT ANDREWS:

34 OK. Thank you very much. So as part of this, we would also approve the closeout of the
35 previously approved temperature-controlled liquor house, which is at circle 4, since that
36 obviously would be moot if we approve this relocation. I'll move on to the other
37 recommendations related to public safety facilities, and that is that we would amend the
38 currently approved Public Safety Training Academy to shift expenditures from FY09 and
39 FY10 to FY11 and FY12, since they would not be used in those years, at least. It does not
40 prejudice whether we would ultimately approve moving the PSTA to the Webb Tract, but
41 it's clear that the funds will not be used in those two years, to free up bond capacity and

February 24, 2009



1 reflect that expenditures on the current project are not expected to occur while the Council
2 is deliberating the Executive's recommendations for relocation of the PSTA to the Webb
3 Tract. And the Executive has recommended closing out the current PSTA project. This
4 recommendation is--is not to close it out, but to shift in the expenditures. And that is seen
5 on the amended PDF on circle 7 and 8. Any questions about that item? Councilmember
6 Knapp.

7
8 COUNCILMEMBER KNAPP:

9 Thanks. Not being a member of the committee, lots of questions. And actually, I have a
10 follow-up, actually, on the liquor one.

11
12 COUNCIL PRESIDENT ANDREWS:

13 OK.

14
15 COUNCILMEMBER KNAPP:

16 There were issues before with your suppliers, and as a result, you had located some stuff
17 off site in different locations. By doing this, do we actually meet all of the issues that you
18 had had with your suppliers, and do we get to consolidate from the other places so that
19 we're actually saving us some money someplace along the way?

20
21 GEORGE GRIFFIN:

22 Yes. We--the answer to both is yes. The issue with some of our suppliers was really
23 temperature.

24
25 COUNCILMEMBER KNAPP:

26 Right.

27
28 GEORGE GRIFFIN:

29 The climate control and the--and this new facility will meet those needs, and so we will...
30 We weren't actually leasing other sites, per se, but we were required, from the supplier, to
31 take daily deliveries from their location, and they did charge us the fee for storage at their
32 facility in the District of Columbia. So in essence, we had over \$300,000 a year of leased
33 space in their facility. That is eliminated. We do get to maintain the inventory ourselves
34 under our own roof, so we do eliminate that cost, and it will meet their needs.

35
36 COUNCILMEMBER KNAPP:

37 Good. Thank you. Shifting to the Training Academy recommendation, I'll be honest, I do
38 have some concerns with this, and I guess my first question is, if we were not to move the
39 expenditure-- Obviously, we haven't done anything in FY09 yet, so, I mean, I think we
40 could probably move--it's fair to say that we're not going to bill anything in FY09, but
41 moving anything from FY10, I struggle with. But if we were not to do that, what doesn't get

February 24, 2009



1 to happen if we don't move the expenditures from FY10, on PSTA? It's all kind of a series
2 of dominoes, so I'm just trying to figure out what...

3
4
5
6 LINDA McMILLAN:

7 The movement in FY09, number one, I think it's clear that the project--we won't be
8 expending on the project in '09, and that is needed to free up some GO Bond capacity to
9 do the things that are before you today. We could look at a lesser amount moving or look
10 at the dollars that need to move in 10, but really I think the Executive's financing plan--
11 which again, is based on their entire recommended package, which you all have not
12 considered and acted on yet, does look at the existing resources within the CIP, and the
13 PSTA is one of those resources. My recommendation to the committee was, in fact, not to
14 close out the PSTA, which is the Executive's recommendation, because he's
15 recommending that it be relocated, but, in fact, just to move the expenditures given the
16 consideration that you would have. If you decided, in your deliberations, to go back and
17 start, for example, to do the renovations at the current site, or, you know, however you
18 wanted to move forward, we would have to go back and look at this PDF, frankly, anyway,
19 to see what the expenditures would look like. I don't think you have any way of really
20 knowing what 10 would look like if you decided to move forward with this program right
21 now. The recommendation I gave to the committee was really based on making sure that
22 we didn't close this out, because I don't think the Council should signal that they're closing
23 out a project when they haven't had a discussion of, you know, their decision to relocate.

24
25 COUNCILMEMBER KNAPP:

26 And I agree with that, and I appreciate that recommendation. My only concern is that--and
27 again, I don't know where we'll go, and I don't want to prejudice further discussion, but this
28 is something that was important to the Council, I don't know-- five years ago, six years
29 ago-- and has continued to be, and had things gone as we had originally planned--

30
31 LINDA MCMILLAN:

32 10 years ago.

33
34 COUNCILMEMBER KNAPP:

35 10 years ago, had originally been planned, we would have been nearing completion of the
36 renovation of the PSTA and the fire station that was there, and so I don't know where we
37 will go in the coming months, but if we get to a point where we say, "You know what?
38 PSTA ought to stay there," I don't want to be in a position where something that has been
39 a priority now can't get done because we don't have the capacity to do it. And so, I guess -
40 I think keeping the PDF is important. I just don't necessarily want us to ultimately end up



February 24, 2009

1 making decisions that have now eliminated this, and now we're forced into doing
2 something else because we've moved all the other deck chairs around.

3
4 COUNCIL PRESIDENT ANDREWS:

5 Well, I think you make a very good point, and I would be interested in staff's best
6 assessment of what might be an amount that we would want to keep in in FY10 so that if
7 the Council decided not to approve the proposed movement of the PSTA to the Webb
8 Tract that we would have what would be a reasonable amount to keep the process going
9 on the current location. And you can think about that for a few minutes as we continue on,
10 but I think that's a good point, and I'm very open to it.

11
12 COUNCILMEMBER KNAPP:

13 OK.

14
15 COUNCIL PRESIDENT ANDREWS:

16 And give staff a few minutes to ponder it.
17
18
19

20 LINDA McMILLAN:

21 Well, I mean, I have to say, without knowing when you might make that decision, it would
22 be difficult to know when... expenditures might start in 10, but what I would say to you is,
23 the expenditures in the current PDF are showing expending out the remainder of the total
24 project. You have 20--almost \$23 million in unexpended appropriation in the project.
25 There's plenty of appropriation in this project to spend money if you decided to spend, and
26 then, just as, you know, Ms. Barrett has talked to you about, depending on what it was
27 that you would be spending, we would have to look at the bonds and how they fit into the
28 bond expenditure chart. But if you decided to--if you decided to move forward with the
29 PSTA and we were going to do that in 10, I think that we would have to go back and look
30 at the entire PDF to see what a reasonable schedule was and how you would want to
31 show those expenditures, because you do have--really, the majority of the project has
32 already been appropriated, and it's in unexpended appropriation that can be spent if the
33 project were to move forward.
34

35 COUNCILMEMBER KNAPP:

36 So if we were to move ahead through the course of the next three or four months and say,
37 "You know what? For whatever reason, we want to move ahead with PSTA," you say
38 we've got the authority to be able to go ahead and say, "Go do stuff right now."
39
40
41



February 24, 2009

1 LINDA McMILLAN:

2 If there's appropriation in the project, if the--if you all wanted to go forward and have them,
3 you know, go back and start looking at the design, looking at the plans, getting ready to
4 ramp it up, there's plenty of appropriation in the project to do that at any time. Would that
5 be correct?

6
7 JACQUELINE CARTER:

8 In addition --Jacqueline Carter, OMB-- we're focusing on the six-year period where Linda
9 is talking about shifting money out from 09 and 10. But there are some unspent funds
10 which are outside of the six-year period which are available to be spent, as well, so there's
11 more than enough money in there to continue the program, should you need to do so,
12 even if you were to shift the 09 and 10 money out. If you look at the PDF on page 7, circle
13 7, it shows a column through FY07 which shows actual expenditures, and there's an
14 unspent portion of the budget in that second column - 9.9 million. So that is available to be
15 spent even if Linda was to-- if we were to shift out the 09 and 10 projected expenditures.

16
17 COUNCILMEMBER KNAPP:

18 OK. That's my biggest concern. So you're saying that we've got the flexibility and the
19 capacity if we choose to do it and put this back on track that we could put it back on track.
20 We're not necessarily forestalling that decision by whatever we do today if we keep the
21 PDF.

22
23
24
25 LINDA McMILLAN:

26 No. I mean, you have appropriation in the project that would be more than enough to get
27 them started on what they need to do.

28
29 COUNCIL PRESIDENT ANDREWS:

30 All right. Excellent point, though. Excellent. OK. All right. Well, I think actually I'm ready to
31 turn over to my colleague Councilmember Floreen for the other recommendations.

32
33 COUNCILMEMBER FLOREEN:

34 Thank you very much, Mr. President. The next item on our agenda is down at the bottom
35 of page 2, which is the determination to approve the purchase of Casey 6 and 7 parcels
36 for the relocation of the Department of Transportation's Equipment Maintenance and
37 Operations Center, commonly known as EMOC. This was an issue that was worked out,
38 really, in the course of the Shady Grove Sector Plan. There was a lot of engagement by
39 all parties as to this issue, and as a-- actually, I always feel guilty about this one because
40 we have delayed a badly needed renovation of the maintenance facility for a number of
41 years, pending the resolution of the Shady Grove Plan. This is a long-overdue project to



February 24, 2009

1 renovate the maintenance facility and to make it possible for us to add buses to our transit
2 system. We are unbelievably constrained in our ability--in fact, we can't add--as we all
3 know, we can't add a single bus right now without additional places to park them and
4 maintain them, and this proposal will allow us to do what we already had on track to the
5 tune of--how much did it--do you remember how much it used to cost, it was estimated to
6 cost some years ago? It was always a very expensive project.

7
8 HAMID OMIDVAR:

9 It was very expensive, and it was for renovating...

10
11 COUNCILMEMBER FLOREEN:

12 Renovating the existing one.

13
14 HAMID OMIDVAR:

15 A current an old-aged facility, versus this one, that would be brand-new and in line with
16 the new green thinking.

17
18 COUNCILMEMBER FLOREEN:

19 Right. So this was going to cost us a considerable number of dollars no matter how you
20 cut it. How it's reflected in this--it shows a total cost of \$135 million. There have always
21 been issues about this from the community, and you'll see on page 6 and--well, this is
22 spelled out in more detail in the staff memo, pages 6 through 8. Certainly Washington
23 Grove community has been very interested in this, as it's right next to them, and they've
24 had questions, and we've asked the department to provide them with answers. But the
25 bottom line, of course, is that there is a significant need that this proposal will address. It's
26 also --basically, part of it's going to be co-located right with some of the State Highway
27 Administration facilities that are going in with respect to the ICC. Anything else I'm missing
28 on this summary? No? I got it-- got it right? So that is the first element of this. This is also
29 significant with respect to the Shady Grove Master Plan. This is key property that we
30 expect will be redeveloped with basically a partnership with respect to the Service Park
31 and will create the Shady Grove of the future, with the private sector. So the tradeoffs, of
32 course, there--ultimately, there will be a cost benefit, or not as much of a cost burden on
33 the county through the county's conceptual financing plan that's shown in the packet, as
34 is-- appears to be initially, and it's certainly consistent with all our conversations.

35
36 COUNCIL PRESIDENT ANDREWS:

37 I just wanted to add a couple comments on this, and thank you for noting that the
38 community of Washington Grove has been very interested in how this is developed and
39 has asked a lot of appropriate questions, and we asked a number of questions--
40 committee members--at the last meeting about how the Executive will address a number
41 of the issues raised in terms of traffic, lighting, noise, and so on, and on pages 7 and 8 of



February 24, 2009

1 the packet, there is some discussion of that. The bottom line is that the Executive branch
2 has agreed to return to the Council at points along the planning and design phase to
3 discuss how they are going to deal with the details of these issues so that we ensure that
4 it is compatible with the surrounding community and that you've got safe and good access
5 through to get from Washington Grove, and other points north of there, to the Metro. So
6 we look forward to working with you on those issues to make sure that the project is done
7 in a way that is compatible with the communities nearby.

8
9 COUNCILMEMBER FLOREEN:

10 Mike has...

11
12 COUNCILMEMBER KNAPP:

13 Thank you, Mr. President. Thank you, Ms. Floreen, for your description. If you look at the
14 PDF, on circle 20, it's got 35.5 million for the total, of which 30 million is the interim
15 financing for the land, but it says the total cost of the project is expected to be 135. Where
16 does that come into play?

17
18 HAMID OMIDVAR:

19 The numbers you see here includes the land and the design PDNS ????? only, not the
20 construction, so when you add the construction cost to the figure, it would go up, if that's
21 the question, to that number.

22
23 COUNCILMEMBER KNAPP:

24 So we haven't programmed that yet. We've got to do planning and design, so that will
25 come back, and we're expected to see those in what years?

26
27 HAMID OMIDVAR:

28 It would be at the end of design/development, in line with the agreement that we come
29 here and present the cost to the Council and seek approval for the rest of the project.

30
31 COUNCILMEMBER KNAPP:

32 But what's the--but what's the--we had a timeframe for when we wanted to try and get this
33 done, so...

34
35 JACQUELINE CARTER:

36 Construction starting in FY11.

37
38 COUNCILMEMBER KNAPP:

39 OK. So construction starting in FY11, then looking for completion...

40
41 JACQUELINE CARTER:

February 24, 2009



1 FY12.

2
3 COUNCILMEMBER KNAPP:

4 FY12. OK. So we've got zeroes in FY11 and 12, but someplace in there, we're going to
5 get something that--the 135 includes the 35 million for land, so we'd--

6
7 LINDA MCMILLAN:

8 30 million. 30 million for land.

9
10 COUNCILMEMBER KNAPP:

11 OK. 30 million for land, and then we...

12
13 JACQUELINE CARTER:

14 Right.

15
16 COUNCILMEMBER KNAPP:

17 OK. But we've got 35 million in FY10 identified here, and so the 135 million that's
18 identified on page 3 includes that 35 million, plus an additional 100 million.

19
20
21
22 LINDA McMILLAN:

23 Right. And what I would say is that on this particular PDF, the Executive has
24 recommended it in the way that the Executive has been recommending PDFs, which is
25 that only at first do we show the planning design, and we have sort of an estimate at the
26 bottom. The liquor warehouse-- one of the reasons why the full cost is actually showing on
27 the PDF even though we're still in the design phase is that, because we're issuing bonds
28 associated with it, it was a lot better for the county to show the fully approved project so
29 that those persons investing in the bonds would, you know, see that fully developed effort.
30 But the Executive has included the full estimated cost in their financing plan for EMOC,
31 and the financing plan was discussed later, but you would probably, I would think within
32 the next year, see an amendment to this which would show the construction cost because
33 what --the discussion was that it would probably be about 18-20 months for design and
34 construction, with some pieces even--some pieces potentially --highway services, for
35 example, could move in first before the bus part is completed, because the goal is to start
36 to clear the Shady Grove Sector Plan as quickly as possible.

37
38 COUNCILMEMBER KNAPP:

39 Is the expectation that the remaining 100 million would be issued as GO Bonds? Or would
40 that be interim financing, too?



February 24, 2009

1 JENNIFER BARRETT:

2 We'd have to get into the details of the financing plan, but the basic concept is that we use
3 county commercial paper after Council authorizes an increase to that program. We use
4 county commercial paper. We take it out as land-sale proceeds are available or as we can
5 fit it into our GO Program. But I show a big use of GO's in, I think, FY13. So it's out in the--
6 you know, further out in the fiscal six-year program.

7
8 COUNCILMEMBER KNAPP:

9 OK. The only reason I'm asking is because when the Council approved the CIP last year,
10 we reserved a fair amount of bond capacity in the out years for projects that were in
11 planning, and so I just wanted to make sure that if we're going to use up that capacity, that
12 people are aware of the fact that we're making that choice now to do that, as opposed to
13 some of the other projects we'd identified for planning in the CIP. There were a lot of
14 education projects and a lot of other things, rec centers and things, that were waiting to
15 come through, so I just wanted to make sure that if that's the case, that we know that
16 that's the decision that we're making.

17
18
19
20 LINDA McMILLAN:

21 And I would say, in terms of this project, because there is an approved project in the CIP--
22 not everything in the whole plan has an approved project in the CIP.

23
24 COUNCILMEMBER KNAPP:

25 Right.

26
27
28
29 LINDA McMILLAN:

30 This one, in particular, does, so while you might have had a lesser cost if you had
31 renovated on site, it still would have been very substantial, and that would have come in
32 your out years of the CIP for GO Bond funding. So in this case, I think that it is one of the
33 things that would have been a use of that out-year money.

34
35 COUNCILMEMBER KNAPP:

36 Would have something we'd have been weighing anyway.

37
38 DIANE SCHWARTZ-JONES:

39 And in terms of the land, this is land that actually truly does pay for itself, because the
40 way--

February 24, 2009



1 COUNCILMEMBER KNAPP:

2 Oh, no, I know. This is--that part I get. It was the actual construction piece. I just wanted to
3 make sure we understood how that fit in. And if we do this on this site, is there any room
4 at this site for anything else? Does the only thing fit there that is EMOC, or is there any
5 additional capacity on that site once we've actually put EMOC in there?
6

7 HAMID OMIDVAR:

8 It would be all the facilities that are currently on the site, and then when we relocate them,
9 there would be several advantages. There would be no room left, but what we're doing,
10 we're actually going vertical a little bit, so we're not as spread, because you won't find that
11 amount of land anywhere, and it's in line with our green thinking. For example, our bus
12 parking would be deck parking, two-story, and also the other operations, like the bay
13 operation and offices on top, would be two-story. Because the land is a little bit depressed
14 compared to Shady Grove, we can achieve that, and it's good for the neighborhood, too,
15 because the whole property would have office exposure to the Shady Grove, rather than
16 yard. So it's more condensed, more compressed, and for that reason, there won't be that
17 much room left for any other operation as we know today, until we really go and do further
18 study by actually designing the site.
19

20 COUNCILMEMBER KNAPP:

21 OK. The reason I'm asking is that we're obviously looking at moving other things, too.
22 You've got-- let's see. I see John Matthews ????? here. You're looking at schools, their
23 stuff. I know you're not going to be able to park buses there, but if there were any
24 elements of their operation that could be there, or you've got Park and Planning's
25 maintenance facility, that we're having to try and figure out where to put them. And so is
26 there any additional capacity on that site to look at any potential synergies, as opposed to
27 just...
28

29 HAMID OMIDVAR:

30 We don't think it would fit at this point, no. Those are--those are really relatively large sizes
31 that they won't fit on this site.
32
33
34

35 DIANE SCHWARTZ-JONES:

36 But we'll be bringing more information to the Council on those particular facilities, so...
37

38 COUNCILMEMBER KNAPP:

39 OK. All right.
40

41 COUNCILMEMBER FLOREEN:

February 24, 2009



1 That's a good segue into the other elements of the conversation here.

2
3 COUNCILMEMBER KNAPP:

4 I was trying to help you.

5
6 COUNCILMEMBER FLOREEN:

7 Thank you very much. Next item is simply to close out the existing project on EMOC
8 because of this new one. That's the first arrow on page 3. The next one, though, goes to
9 the question to which you allude, Mr. Knapp, which is approving new projects for the
10 relocation of the MCPS Bus Depot and Maintenance Facility and the County Radio Shop,
11 and we recommend the provision of 150,000 in funding to plan for the relocation of these
12 facilities, and 61,000 for planning and design of the relocation of the Radio Shop. There
13 is--I think there's already a plan for the Radio Shop. The school bus facility, of course, is
14 another kettle of fish, and I'll note, as Linda mentioned earlier, Gude Drive-- Gude Landfill
15 is off the table, although we continue to work with that community over their concerns with
16 respect to the landfill. But they're not going to be seeing a bus depot there. What we said
17 to MCPS and the Department of General Services is, it's time to think differently about
18 how they relocate their facilities. And Mr. Lavorgne is here--I know he's thinking creatively
19 right this minute. Because we don't think--at least some of us don't think there's a lot of
20 industrial land left where we're going to be able to afford to build brand-new locations for
21 school bus facilities, and we think the issue of combining locations, perhaps using existing
22 parking lots within the possession of the school system, looking at more green design that
23 involved decking and the like, is pretty much the likely direction to go. We don't have an
24 answer, of course, to any of these questions, and we know that no community really likes
25 --although they like their schools, they do not like their buses. They like their buses except
26 when they're parked near them. Perhaps that's the challenge. So we respect the
27 challenges that this issue represents for the school system, but we do think that there is
28 great potential here for us and for them to have more efficient, or as efficient, a system,
29 that's more--equally responsive to community demands. So that is our recommendation
30 on this, to start thinking about that and resolve it. And then finally, in--consistent with that
31 is our recommendation to approve a new project that provides 150,000 in planning funds
32 for the relocation of the Park and Planning maintenance facility--same direction, same
33 thinking. We need to do these things in an environmentally sensitive way that doesn't take
34 up more important land to be protected or land to be used for industrial sources. Use this
35 as an opportunity to bring facilities together, and we're going to have to get a little creative
36 about all this.

37
38
39
40 LINDA McMILLAN:

February 24, 2009



1 And because the committee honored the request of Park and Planning to have it be a
2 project within their CIP, that was introduced as a part of the Consent Calendar today.

3
4 COUNCILMEMBER FLOREEN:

5 We already did that. We introduced that today.

6
7
8
9 LINDA McMILLAN:

10 And so it will come back to you for a public hearing and action separately, but just know
11 that it's a part of all these recommendations.

12
13 COUNCILMEMBER FLOREEN:

14 So those are the rest of the recommendations, with respect to the Property Use/Smart
15 Growth Initiative. And there--I'll just note that the actual action items are at circle 1, circle
16 9, and circle 17. Is that right, Linda?

17
18 COUNCIL PRESIDENT ANDREWS:

19 Mm-hmm. All right. So there are three resolutions that are before us. The first one is
20 regarding the liquor warehouse, Finmarc. The second is an amendment to Resolution 16-
21 676 to authorize an additional 60 million in liquor revenue bonds that may be issued by
22 the County. The additional capacity will fund the liquor warehouse project, the cost of
23 issuance, and authorize that bonds may be used for certain transportation projects. And
24 then the third resolution is on circle 17 and 18, and that is the resolution...uh, where'd it
25 go?

26
27 COUNCILMEMBER FLOREEN:

28 That's the supplemental appropriation.

29
30 COUNCIL PRESIDENT ANDREWS:

31 That's the supplemental. OK.

32
33 COUNCILMEMBER FLOREEN:

34 Here we go. It's this one.

35
36 COUNCIL PRESIDENT ANDREWS:

37 OK. Related to EMOC and MCPS Bus Depot. OK? So we have those three resolutions.
38 Do we...

39
40 COUNCILMEMBER FLOREEN:

41 Do you need a motion? I think you have a committee recommendation.

February 24, 2009



1
2 COUNCIL PRESIDENT ANDREWS:

3 We have a committee recommendation for all three.
4

5 UNKNOWN SPEAKER:

6 It would be in order to do them in one bloc.
7

8 COUNCIL PRESIDENT ANDREWS:

9 Yes, I think we can. So is there any other discussion on the resolutions? Councilmember
10 Knapp.
11

12 COUNCILMEMBER KNAPP:

13 I just want to thank Diane for her efforts, and her team. I know that this is the first of a
14 number of discussions that we'll be having on these, and I know that she has spent a lot of
15 time the last two years trying to pull all these pieces together and pulled much of her hair
16 out and is doing fine keeping all the pieces moving, and I just want to thank her and the
17 whole team for their efforts to date.
18

19 COUNCIL PRESIDENT ANDREWS:

20 Yeah. They've been working very hard, and they will continue to, we know, so thank you
21 for your work so far. And I think we're ready to vote, then, on the motions of the
22 committees. All those in favor of the recommendation of the joint committees on these
23 resolutions, please raise your hand. And that is Councilmember Elrich, Councilmember
24 Trachtenberg, Councilmember Floreen, myself, Council Vice President Berliner,
25 Councilmember Knapp, and Councilmember Leventhal. It's adopted 7-0. Thank you,
26 everybody. And we will see you again soon and look forward to hearing back from you on
27 follow-up work on the community issues. OK. All right. All right. We're now going to
28 continue on for the last item of our morning session, and this will be a worksession on the
29 Intercounty Connector Limited Functional Master Plan - Bikeways and Interchanges.
30 Action is tentatively scheduled on this item for March 10, so again, this is a worksession,
31 and I will turn to the chair of the Transportation Infrastructure and Environment
32 Committee, Councilmember Floreen, for the committee's recommendations.
33

34 COUNCILMEMBER FLOREEN:

35 Thank you, Mr. President. The T&E Committee had a worksession on --we had a public
36 hearing on this on January 15, and we had our worksession on this... When did we have
37 our worksession on this, Mr. Orlin? Recently.
38

39 GLENN ORLIN:

40 Recently.
41

February 24, 2009



1 COUNCILMEMBER FLOREEN:

2 Very recently. In any event, I just wanted to say, at the get-go, we had tremendous
3 assistance from Park and Planning. Basically, this is a--we asked them to do this, to do a
4 Limited Functional Master Plan amendment for the ICC on the bikeways and interchanges
5 issue, and really to follow up on what the state has done since this project has had--first
6 left the county shop, went to the state level. Decisions have been made at that level that
7 require us to adjust some of our master plans to be consistent with those decisions, and
8 there are a number of interchange and bikeway follow-up issues that we have on our plate
9 at this point. I wanted this to--some of this decisionmaking involves, number one, just
10 acknowledging decisions made at the state level, and the other decisions, I think, have to
11 do with the balance between bikeways and the environment. There are many in the
12 community who have said, "OK, if you're going to build a road, it's a funny time to draw a
13 line that says you can't have bikeways there because of the environmental issue," and I
14 have to say, I think I speak for the committee, when we more or less collectively agreed
15 that that decision having been made, our hope was that we could enhance bicycle mobility
16 along this corridor, as well. And we believe that, given many of the conditions of the
17 construction for the ICC, we will be able to provide pretty much an acceptable bikeway
18 system along the ICC right-of-way here and there. There are a number of-- certain
19 number of issues that are unavoidable here, and so we've made recommendations, after
20 listening very closely to the environmental community, to the Park and Planning folks, and
21 to the bicycling community. There are a few things still up in the air that will need to be
22 resolved. This isn't going to happen real soon, but we think it's an important priority. I will
23 note that the ICC will also provide an important bus route across this portion of the county,
24 and we feel--we're delighted that that's going to be the case, and we also feel that the
25 biking public should have an equal opportunity to access that. And I wanted to note that
26 whatever our conversation with respect to the bicycle right-of-way issues here, we by no
27 means are rejecting Park and Planning's initiatives for additional trails and paved surfaces
28 within the park system. I think it's important to know that we are all committed to
29 increasing mobility in this regard. So with that, I think--I think it would be helpful to have
30 Glenn take the Council through the overall picture of the bikeway issues, and then we can
31 go through some of the specifics, which are outlined in our recommendations. I will say we
32 mostly--we mostly recommend-- went along with the Park and Planning Commission's
33 recommendations. There are a few areas where we do diverge, indeed. So, with that,
34 Glenn, you want to take this? Show the Council the whole--whole range of the issue.

35
36 GLENN ORLIN:

37 Sure. I'll have a little bit of an overview, and then we'll go through each piece. The State
38 Highway Administration is building pieces of the bike path along the ICC right-of-way, but
39 other places, they're not doing that as part of the ICC project and have identified other
40 possible routes for the county and/or the state later to build bike paths. What this plan is
41 about is not specifically about what's happening on the ICC project now, but what should

February 24, 2009



1 happen over the lifetime of our Master Plan, next 20, 30, 40, 50 years. We'll go in more
2 detail from west to east, and then we'll come back to some of the ancillary issues. But in
3 the western section, the County Council, back in 2005 when you --when the Council made
4 its comments on the draft EIS, said there should be a hiker-biker trail along the ICC right-
5 of-way from Needwood Road --the point I'm pointing to right now--all the way over to
6 Prince George's County, on the right-of-way. What the state is doing as part of the project
7 is building a bike path along the right-of-way from Needwood Road to Emory Lane and
8 then from Georgia Avenue to Layhill Road...from Notley Road to New Hampshire Avenue,
9 and from-- don't want to hit Dan's head here--Briggs Chaney Road-- Sorry. You're OK.
10 Briggs Chaney Road to Prince George's County. And what the Planning Board is trying to
11 do is figure out what other pieces of the gaps should be places where the ICC path should
12 parallel the right-of-way, and if not, where would it go? At this point, why don't we go from
13 west to east and have the blowup of this area. This is Shady Grove Road here. This is
14 Redland Road. Here is Muncaster Mill Road. Needwood Road. Shady Grove Metro
15 Station is here. This is the Intercounty Connector right-of-way where the Intercounty
16 Connector is being built, across Shady Grove Road, then swinging up through Cashell
17 Estates, through Winters Run, and through here. This section of the right-of-way for the
18 ICC is not on the Master Plan right-of-way for the ICC--that was here--but the state
19 decided to put the ICC in the right-of-way of Midcounty Highway extended, M-83, which is
20 a 150-foot-wide right-of-way. The right-of-way through here was generally 300 feet. The
21 idea was to avoid park impacts, although it does--did take more than 20 homes, I believe.
22 The issue in this area is what to do with the bike path. The--again, the Council's position
23 back in March of 2005 was to carry the ICC path from this point--Point B, I guess, on this
24 map--to the east. Yes, to the east. So the question is, how do you bring it to the west?
25 There were three options looked at, and what the T&E Committee is recommending is
26 effectively option 2, which is to follow along Needwood Road with a shared-use path, a
27 hiker-biker trail, to Muncaster Mill Road, then along Muncaster Mill Road, again, a shared-
28 use path, a hiker-biker trail, to Applewood Drive. Following down Applewood Drive, which
29 is a local residential street--in this case, it would not be a bike path. It would be a shared-
30 use roadway. This is a local street. And then picking up at this point with a new shared-
31 use path along the M-83, or Midcounty Highway right-of-way to connect to point A. Point
32 A, you would then be able to continue on to the west and north on the hiker-biker trail on
33 Midcounty Highway. There is already a bikeway along Muncaster Mill Road from this point
34 to Shady Grove Road along Muncaster Mill, so effectively, what you'd have by this is a
35 bike path to here, and then the choice of going this way or this way. And this is in the
36 future, of course. This isn't built. Neither is this. But what to do in the long term. Couple of
37 other options that were looked at. One was just staying on--what was called Option 1,
38 which was staying on Midcounty Highway--or Muncaster Mill Road--sorry--all the way up
39 to Shady Grove Road and not to do this. Another option was Option 3, which is similar to
40 Option 2, except that in this area, rather than going on Needwood Road over to Muncaster
41 Mill, then following up Muncaster Mill to this point, instead, follow the ICC right-of-way--M-

February 24, 2009



1 83 right-of-way, actually--to this point, go through the park, and connect to Muncaster Mill
2 Road at this point. And then the rest of Option 3 is the same as Option 2--going up
3 Muncaster Mill Road to Applewood Drive, M-83. The committee's unanimous
4 recommendation was for Option 2.

5
6 COUNCILMEMBER FLOREEN:

7 Let me say there's no really good-- great--solution here, but that seemed to be the best
8 under the circumstances. The competing environmental issues--at some point, Muncaster
9 Mill will be a safer place to ride. Sure isn't now. But this is a vision.

10
11 GLENN ORLIN:

12 One thing I want to make clear that wasn't clear in the packet--we've had discussion
13 among staff, and the staff's agreeable to this--was the designation in the Master Plan as to
14 the--for the bike trail. SP-40, which is a shared-use path number 40, which is the path that
15 goes basically along the ICC right-of-way, the idea is that Option 2 alignment would carry
16 the SP-40 designation and that this piece along Muncaster Mill would be some other
17 designation. It might be SP-40A, or it might be something else. But the main alignment in
18 the long term would be this one. Now, you did-- during the committee meetings, Jack
19 Cochrane, who's here from the Montgomery Bicycle Advocates, advocated--as they are
20 advocates--for Option 3, and he sent you another memo in the last couple of days. But the
21 committee's recommendation, unanimously, was to go with Option 2, with the idea that
22 Option 1 would also be included.

23
24 COUNCILMEMBER FLOREEN:

25 That's the first one.

26
27 GLENN ORLIN:

28 OK. Moving--

29
30 COUNCILMEMBER FLOREEN:

31 If people have questions, they should just chime in.

32
33 GLENN ORLIN:

34 OK. The--can you go back to the first slide for a second? I'm sorry. Yes. Thanks. A piece
35 we didn't really talk about very much because there was pretty much agreement was that
36 the section of the ICC between Emory Lane and Georgia Avenue, which the state is not
37 building a bike path in, the plan recommends, build a bike path in that right-of-way,
38 connect these two points, because there wasn't any barrier that was considered to be not
39 achievable. So that's part of the plan, too, is to make that connection. And then again, the
40 state is building this piece from Georgia Avenue down to Norwood--to Layhill, and now if
41 we could go to the next slide.

February 24, 2009



1
2 COUNCIL PRESIDENT ANDREWS:

3 I've got a question here.
4

5 GLENN ORLIN:

6 OK. Go ahead.
7

8 COUNCIL PRESIDENT ANDREWS:

9 Where the IC--where the bikeway would be built in the ICC right-of-way, how close would
10 it be to the actual road?
11

12 GLENN ORLIN:

13 Don't know. The-- in fact, this plan doesn't make --doesn't draw a distinction necessarily
14 as to whether it's in the literal ICC right-of-way, or in some places it might be just outside
15 of it. Any bike path that would have to be built --that would be built as part of this plan
16 would have to be followed up with some kind of a facility planning study to actually answer
17 that question specifically, Mr. Andrews.
18

19 COUNCILMEMBER FLOREEN:

20 Well, let me just say that some of us raised the issue of what really needed to occur. If
21 you're a person who bicycles along busy roads, you're really interested in getting from
22 Point A to Point B. It's less of a purely environmentally enjoyable experience. It is a
23 destination-based experience. And for those folks, there is an opportunity to--we raised
24 the question of being able to use shoulders of the ICC or pathways that were contained
25 closer to the road, that would allow for less of an environmental impact but still permit
26 bicycling along there. And those are points--and we had quite a conversation about where
27 you can do that, where you can't, what the pros and cons are, and there are lots of them
28 in every category. But we-- they're really to be resolved at a later date. But it did--some of
29 the--because of some of the bridging issues for the ICC, there are some physical
30 constraints as to how that could work under any circumstance, so that's part of the
31 challenge here.
32

33 COUNCIL PRESIDENT ANDREWS:

34 One of the reasons I raise the issue is because the ICC will have a lot of trucks on it, and I
35 have never thought--I've never thought that it is appealing to have a bike path near a
36 highway with a lot of trucks. It's just not--especially trucks that are--it's not where I would
37 put a bikeway, and I'm concerned about the public health impact of emissions that you get
38 in much more quantity and impact from trucks than you do from cars, especially when
39 trucks are moving at highway speeds. So I think that's another element of this issue which
40 perhaps hasn't gotten much attention, but I've never thought it is a good idea to put

February 24, 2009



1 bikeways near highways for that reason, especially given the public health science that we
2 have on truck emissions.

3
4 GLENN ORLIN:

5 Actually, the draft EIS, or final EIS, for the ICC shows a relatively small percentage of the
6 volume that's going to be on the ICC as being heavy trucks. Pickup trucks and SUVs are
7 considered trucks, but if we're talking about tractor-trailers, it's something like less than
8 three percent of the volume.

9
10 COUNCIL PRESIDENT ANDREWS:

11 I see. I'm sorry to hear that.

12
13 GLENN ORLIN:

14 And in fact, one of the--just a few years ago, when we were reviewing the EIS, one of the
15 recommendations I had made was to, in fact, make this a parkway and not have--not
16 allow heavy trucks because we knew there weren't going to be that many of them anyway,
17 and it could have meant a difference in terms of the way the road was designed, but the
18 state did not accept that. So--but the main point is that there really will not be a lot of
19 heavy trucks on the ICC because it's not a natural route for those kinds of vehicles.
20 They're not going to places that would use the ICC.

21
22 COUNCIL PRESIDENT ANDREWS:

23 But that was one of the major arguments, I recall, that was made for the ICC, was that it
24 would serve as a way to move freight between the two interstates.

25
26 GLENN ORLIN:

27 And that's true for UPS trucks, FedEx trucks, and for panel vans and things like that, but
28 for the kinds of vehicles that are thought of as producing a lot of noise or a lot of pollution,
29 the tractor-trailers, relatively little, is what the forecast was showing.

30
31 COUNCIL PRESIDENT ANDREWS:

32 I'll be surprised if that's the outcome.

33
34 COUNCILMEMBER FLOREEN:

35 The--

36
37 GLENN ORLIN:

38 It's not at all like the Beltway, for example, because the Beltway has a lot of interstate
39 travel, which is going to I-66, I-95. Think about where this is in the region. There just isn't a
40 lot of destinations along the 270 corridor, middle of the 270 corridor, which would take
41 heavy trucks. I mean, we have Safeway trucks and Giant trucks and gasoline trucks and

February 24, 2009



1 maybe some moving vans, but in terms of the overall heavy...heavy portion of the heavy
2 traffic, heavy truck traffic, it wouldn't be using the ICC.

3
4 COUNCIL PRESIDENT ANDREWS:

5 I do remember there was a lot of support for the ICC from trucking interests.

6
7 COUNCILMEMBER FLOREEN:

8 If I could just comment, and I know Councilmember Leventhal wants to weigh in, I'll just
9 note that we do encourage bike lanes on other busy roads in the county, where there's
10 plenty of that. New Hampshire Avenue--well, all over, really. Mr. Cochrane can testify to
11 the bike routes in place. So part of the challenge is finding a balance between off-road
12 and close-to-road facilities here.

13
14 COUNCIL PRESIDENT ANDREWS:

15 Yes. Councilmember Leventhal.

16
17 COUNCILMEMBER LEVENTHAL:

18 Well, the issue of whether or not there will be trucks on the ICC is a settled question, so I
19 don't really think it's germane to talk about whether we proposed it or supported it in the
20 past. It's the state that's now moving ahead with construction of the road. Much of the
21 road has already been constructed, and it will be open to trucks, and that's not our
22 decision to make, so what's-- And I respect and understand the Council President's
23 longstanding opposition to the Intercounty Connector. I just wanted to make the point and
24 remind colleagues who sat here and listened to the testimony that overwhelming,
25 advocates for bicycling supported having a bike trail running as close as possible
26 alongside the Intercounty Connector because it is such a long, uninterrupted stretch that's
27 easy to find on a map and that provides a bicycling opportunity unique in Montgomery
28 County. There isn't another bike trail that is as long and as direct, and certainly none
29 whatsoever that runs east to west. So my hope is that we can structure this discussion--
30 and the Council President, it's been very constructive so far. I'm actually--it's only Glenn,
31 so far, who I think spoke to something that was not germane.

32
33 GLENN ORLIN:

34 It was germane to the point about how many trucks would actually be using--

35
36 COUNCILMEMBER LEVENTHAL:

37 Well, we've all taken positions in the past on this highly controversial issue, but the
38 question is now, what are our recommendations with respect to the placement of a bike
39 trail, so..

40
41 COUNCIL PRESIDENT ANDREWS:

February 24, 2009



1 My point is that I believe the fact that there will be trucks on the ICC is a relevant factor in
2 the placement of the trail.

3
4 COUNCILMEMBER LEVENTHAL:

5 I think that's a very germane observation. Yeah.

6
7 COUNCIL PRESIDENT ANDREWS:

8 Because of the pollutant impact from trucks.

9
10 COUNCILMEMBER LEVENTHAL:

11 I think that's a very germane observation. I think observations about things we've
12 advocated in the past are less germane, and I just wanted to make that point, but also, I
13 just wanted to remind my colleagues that advocates for bicycling overwhelmingly
14 supported placing the bike trail as close as possible to the Intercounty Connector. That's
15 what we heard from that community.

16
17 GLENN ORLIN:

18 In fact, it was unanimous at the public hearing.

19
20 COUNCIL PRESIDENT ANDREWS:

21 But I wonder if the experience is...you know, it's hard without having--seeing it, it's a little
22 hard to visualize it, but I don't know if there are going to be noise walls in these locations
23 and the proximity of the trail and the experience of the rider in relation to a highway with
24 trucks, I think, is a relevant one, as well as the public health issue. So I believe that it's a
25 factor to take into account that you might not have if it was a parkway rather than a
26 highway that will have trucks on it.

27
28 COUNCILMEMBER LEVENTHAL:

29 I guess my only point is, I hope, Mr. President, that we could structure this conversation
30 based on the road that is, in fact, being constructed and that's out of our hands. We're not--
31 we're not voting today on whether or not to build the road, and specific decisions about
32 the road, we've already made recommendations on years ago. Some were listened to.
33 Some were not. The question of whether it will be a parkway that excludes trucks is not
34 before us at this point.

35
36 COUNCIL PRESIDENT ANDREWS:

37 Right. I realize that. So it is a--we know it will have trucks, and that is why I'm raising that
38 as an issue, because we know there will be trucks on it, and that's a relevant
39 consideration, in my view, in terms of the placement of the trail. Councilmember Elrich.

40
41 COUNCILMEMBER ELRICH:

February 24, 2009



1 I guess my concern is somewhat similar. When the bike path is shown, it's shown pretty
2 much as following the ICC. But when you think about the topography and some of the
3 landforms and the streams that it's going to cross, that's not going to be practical, as I
4 understand it. I'm wondering what the environmental staff for the Park and Planning has
5 any comments on that. I mean, my understanding is, this may be far more complicated
6 and possibly environmentally problematic than has been portrayed to this point--that in
7 fact the trail will not be able to follow linearly along the ICC, but will require going up and
8 down valleys in order to meet appropriate grades and result in far more impervious
9 surface and far more disturbance in order to create a continuous path. I-- you know, it's--
10 this is not a road which is simply going to be like the Beltway, where it's all leveled out,
11 and you can simply lay a bike path next to it, and whether it's in the curb lane or whether
12 it's, you know, off the path slightly, it's no problem. When I looked at some of the
13 segments, I couldn't understand why there would be a problem running the bike path next
14 to it, but there are other segments where it's going to be a major difficulty to run the bike
15 path. They're not going to build bridges. They're not going cantilevering a path, you know,
16 a boardwalk off the ICC to go over these areas, which would--it seems to me would have
17 been maybe a little bit more expensive--maybe not, because it would have been easier
18 than what I think they're going to have to do. So I'm wondering whether environmental
19 staff from Park and Planning has any comments on that.

20
21 COUNCILMEMBER FLOREEN:

22 If it might say, this next item is one of those that sort of brings all that together, so... It's
23 helpful to focus on the specific segments where there are different issues, and this is
24 certainly one on--where Glenn has brought us.

25
26 COUNCIL PRESIDENT ANDREWS:

27 Can I add one thing? And that is that, I think all of us received a memo from Joy Nurmi,
28 who's serving as Chief of Staff for the District 4 office right now, and they indicated a
29 desire to have Park and Planning provide information about steep slopes, valleys, and
30 hills in the Good Hope and Main Stem tributaries that would be impacted by the
31 recommended bikeway, and my understanding is that Park and Planning can address
32 some of those issues today. So I wanted to make sure they had that opportunity as part of
33 this, since that's part of District 4.

34
35 GLENN ORLIN:

36 And when we get there, they will.

37
38 COUNCIL PRESIDENT ANDREWS:

39 Thank you. OK.

40
41 COUNCILMEMBER FLOREEN:



February 24, 2009

1 Yeah. That's just normal stuff.

2
3 GLENN ORLIN:

4 We're heading east. This is the next section, from Layhill Road down to Bonifant Road.
5 Park and Planning is showing--the final draft is showing the continuation of the hiker-biker
6 trail along the ICC, partly running through the Northwest Branch Park, but they believe
7 they can get it to at least this point without insuperable environmental issues, let's put it
8 that way. The Planning Board's--the draft plan, then, actually shows a hiker-biker trail
9 along Bonifant Road to Notley, and then along Notley Road to this point, Point B, and then
10 continuing east on the part of the trail that the state is building. DOT's recommendation is
11 to pick up from this point but to then follow what was Option 3 west, as a hiker-biker trail
12 along Bonifant Road to Alderton Road, and then a hiker-biker trail along, I think it's the
13 east side of Alderton Road down to Point C. This is an important point because this is the
14 terminus, the eastern terminus, of the Matthew Henson Trail, which is under construction.
15 And then in addition to that, building Option 4, which would extend the Matthew Henson
16 Trail across, but not in a--more of a 90-degree angle across Northwest Branch and
17 connecting to Notley Road at this point. And the T&E Committee's recommendation is all
18 of the above. It's Option 1 to this point. Build Option 1 along--as a separate hiker-biker trail
19 to Notley, down to Notley, but also to the west along Bonifant to Alderton down to here
20 and Option 4. So you create a box, basically. And the reason why is because there are--
21 we think there will be a lot of folks who will be coming from the east who will want to go to
22 the ICC trail, in which case, Option 1 shown in here would be the route they most likely
23 would take. It's the most direct. But also there will be --a lot of them will be coming and will
24 want to go to Matthew Henson Trail, in which case Option 4 is where they want to go. Or if
25 they're making a loop --they want to use the ICC trail and the Matthew Henson Trail--
26 they'd want to follow this portion of Option 3. The piece that all three of these routes avoid
27 is this section here, where the most severe environmental and topographic constraints
28 and problems exist. And so here is a place where, because of the reasons that, Mr. Elrich,
29 you were suggesting, pretty much everybody--all the staffs, at least, agree that this is not
30 a section we should be trying to build a path in. So...this is the committee's
31 recommendation, is essentially all this.

32
33 COUNCILMEMBER FLOREEN:

34 We're an inclusive group.

35
36 GLENN ORLIN:

37 Unless there are any questions, I'll move on to the next. Paint Branch is the most difficult
38 section for this issue. The Planning Board, because of the environmental issues--and I'll
39 go into more detail on this in a minute--is not recommending building the hiker-biker trail
40 along the ICC in the vicinity of Paint Branch. It's through the Paint Branch SPA and
41 crosses a very wide section of Paint Branch Stream Valley Park. They are instead

February 24, 2009



1 recommending creating a hiker-biker trail, a separate trail, along New Hampshire Avenue
2 to Randolph, from Randolph over to Fairland, and then along Fairland. Currently, the
3 Master Plan shows bike lanes on New Hampshire Avenue, a bike trail in this section--
4 Randolph Road--so that would not be a change, and bike lanes on Fairland Road. So the
5 recommendation--I believe this is the recommendation. Correct me if I'm wrong, Dan or
6 Chuck-- is that the--The Board's recommendation is that this would be a dual bikeway,
7 bike lanes and a shared-use path on New Hampshire, shared-use path on Randolph, and
8 a dual bikeway, bike lanes and shared-use path, on Fairland. Is that right? OK. I'm sorry. I
9 should have mentioned, with Dan Hardy, Chuck Heinz is the author of the report, right
10 here at the desk. So he's here to answer questions, as well. The Department of
11 Transportation's recommendation is to show the bike path being along the ICC and not to
12 do these parallel routes, and the overwhelming recommendation from the public hearing
13 was to carry the bike trail along the ICC right-of-way. In addition, Parks --and I'm not sure
14 if it shows on this drawing or another one--is going to be considering a route that goes
15 through the park as a Parks trail, running from basically this neighborhood along through
16 here and up to Bonifant.

17
18 DAN HARDY:

19 That's the green dashed line--the green dashed line right there.
20

21 GLENN ORLIN:

22 Oh, it is the green dashed line. OK. Sorry. It's the green dashed line. So it's following
23 along Good Hope Road and then through this neighborhood along the ICC, and then back
24 up along this branch of Paint Branch up to Briggs Chaney Road and over. As a Parks trail,
25 however, it's undetermined at this point as to whether this is a hard surface trail or a soft
26 surface trail, so it may not be a bike trail in the means that we're thinking about at all, but
27 that is something that's under consideration.
28

29 COUNCILMEMBER FLOREEN:

30 And the committee recommended--
31

32 GLENN ORLIN:

33 The committee recommended, basically agreed with DOT, was to--
34

35 COUNCILMEMBER FLOREEN:

36 Along the ICC right-of-way.
37

38 GLENN ORLIN:

39 Was build it along the ICC right-of-way. And that was unanimous.
40

41 COUNCILMEMBER FLOREEN:



February 24, 2009

1 It actually seemed less destructive than some of the other options. And that was what the
2 community response was. Anyone who is a bicyclist really cringes at the use--at least
3 some of us cringe at the thought that New Hampshire, Randolph, and Fairland be the
4 design--the preferred route here.

5
6 GLENN ORLIN:

7 You have some other --go ahead.
8

9 DAN HARDY:

10 I think--for the record, Dan Hardy, Park and Planning - Transportation Planning. This is a
11 good opportunity to revisit some of the things that we spent the better part of a year
12 working with stakeholder groups on. It is a very difficult decision to kind of balance natural
13 resource protection and recreational provision, as well as transportation provision in a
14 place like the Upper Paint Branch Special Protection Area. We did recommend that we do
15 not have a part of SP-40, the formal bike path, going through the Upper Paint Branch
16 SPA, but the Planning Board's recommendation was to use the Randolph and Fairland
17 Road for the formal designation of SP-40 because we found that it actually provided better
18 connectivity for the, you know, connections along the way. It actually connects to the
19 communities, as opposed to a path through--along the ICC would be two miles long with
20 no connections to the communities. And we were concerned about the fact that as we
21 worked with the state during the planning process, the state found that the cost and the
22 park impacts, as well as the SPA impacts, were such that they--even though the Council
23 asked the state to build the path along the ICC then, the state declined to build it. We think
24 that it's going to be very difficult for any agency--state, local, or Parks Department--to build
25 a paved path along the ICC. Part of this has to do with the constraints of the ICC itself just
26 on the east side of Paint Branch Stream Valley. The ICC is going to be built with some
27 retaining walls to protect impacts to the residential properties on either side, and we do
28 have some additional information--Doug Redmond with our Parks Stewardship division in
29 our Parks Department is here to tell you a little more about the natural resource impacts
30 that we do see as big concerns in the SPA that informed our recommendation, and we'd
31 like to actually walk through a couple of those in response to Councilmember staff's
32 request.
33

34 DOUG REDMOND:

35 For the record, Doug Redmond with the Park Planning and Stewardship Division of the
36 Department of Parks. I'm just going to quickly go through sort of our general approach to,
37 you know, how we look at projects of this type. One of our major thrusts in the Park
38 Planning and Stewardship Division is to balance recreation and stewardship. We don't
39 want to lean toward stewardship entirely. Next slide, please. We don't lean toward
40 recreation. We want to try to keep a balance. So that's where we want to end up. This is
41 the area that we're talking about, and you can see on this map, the blue dotted line is the

February 24, 2009



1 on-road route that was recommended. The red line there is the--outlines the Paint Branch
2 Special Protection Area. Next. Here's the area that we're --we've looked at within the
3 Parks system, and this would be both for the Parks trail, which would come in at--on the
4 extreme right-hand side in Countryside Park and then work its way across, or if it were to
5 go across the--right along the Intercounty Connector. And we can--we can have some...
6 OK. So if the--this Parks trail that we've shown before would come into--this is
7 Countryside Local Park and could either come through the road and then try to follow
8 along and eventually come up to here, or there is a paved trail that could follow for part of
9 the distance. Next slide, please. We'll get some more. This is one of the issues, and
10 Councilmember Elrich brought this up--you can see that the road will follow a very smooth
11 path, but it's elevated. This is the Good Hope tributary, which is the main trout spawning
12 tributary in the Upper Paint Branch area. Down here, you've got the Gum Springs tributary
13 and the Paint Branch main stem, and this is about a 700-foot bridge. This is about 300
14 feet. And this will be--you know, this was lengthened, after a lot of staff work, to protect
15 these resources. This is a--about a 2.5 to one exaggeration of the vertical scale so that it's
16 clear, but as Councilmember Elrich mentioned, doing these slopes, if that's what had to be
17 done, would be very, very costly. Next slide, please. Just looking at these--here's the
18 Good Hope tributary, and the pink is slopes of 15-25%. The red is slopes of greater than
19 25%. For this to be an ADA-accessible trail, which most of the paved trails should be, the
20 slope shouldn't be more than 7 percent, and that's really a maximum. If you have a 7
21 percent slope, you also have to have flat resting areas. Better to have 5 percent. So you
22 can see that there are a number of spots where you'd try to cross that are more than twice
23 as steep as would be accessible through ADA. Next slide, please. The even more difficult
24 area would be here, where you've got steep slopes. You've also got highly erodible soils
25 in this area. You've got wetlands. Then you've got the two streams that need to be
26 crossed--the Gum Springs tributary, which is the second most productive spawning
27 tributary, and then the main stem of Paint Branch. So these would be--it would be difficult
28 to get through. The farther away we get from the road, the more impacts there would be.
29 This is all intact forest at this point. There are a number of rare, threatened, endangered
30 species which are right along the Intercounty Connector, including American Chestnut, an
31 endangered bull rush, a number of wildflowers, several other trees throughout the Paint
32 Branch area. And as the Council well knows, this is an area where it's been studied --
33 Marilyn Praisner established a study group that came out with a report in 2006 that looked
34 at the impacts and the value of this, and back in 1994, there was a limited amendment to
35 buy more parkland that the Council also recommended. So, you know, it's a trade-off. If
36 there's going to be a path through here, there will be impacts, and it's going to be very
37 expensive. Certainly if it could be hung off the existing--the bridges that are going to be
38 built, that would be the--that would deal with Mr. Elrich's problems, and I don't know if that
39 can be arranged with the State Highway.

40
41 COUNCILMEMBER FLOREEN:



February 24, 2009

1 Let me say--

2
3 GLENN ORLIN:

4 Can I say, I've actually explored that specific point with State Highway, and they say no.

5
6 COUNCILMEMBER FLOREEN:

7 Yeah. Let me just say from the committee's perspective, we recognize this is a tough spot,
8 and we point out that, certainly in the interim, people can take these alternative on-road
9 connections, but anyone who's ridden a bicycle anyplace else in this country has been on-
10 -pardon me?

11
12 UNKNOWN SPEAKER:

13 On hills?

14
15 COUNCILMEMBER FLOREEN:

16 On hills. Well, not only that. Over sensitive environmental areas. Ride a bicycle to Mount
17 Vernon, and you will ride across very sensitive wetlands along the Potomac that have
18 been protected. So I think the feeling is either we can get some kind of bridging over time
19 --at some later point, of course. Looking at using the shoulder here. There are solutions
20 that shouldn't be ignored. No question, you've got to protect the environmental segment
21 here. This, again, is a long-term vision. This is not a proposal to build something
22 tomorrow.

23
24 COUNCIL PRESIDENT ANDREWS:

25 Let's see. We've got a couple lights on. I want to, at this point, make sure that the issues
26 that were raised by District 4 are put before us, since there is no Councilmember currently
27 from District 4, and I know that it's been a longstanding interest of many people in District
28 4. So I'll read briefly--I'll read as fast as I can the memo that I got so that people--

29
30 UNKNOWN SPEAKER:

31 I think everybody has that.

32
33 COUNCIL PRESIDENT ANDREWS:

34 Do you have it? All right. All right. Well, I want to make sure people understand the major
35 points that were raised, and that is essentially that the continued protection of the Upper
36 Paint Branch Special Protection Area has been a longstanding issue. It has an 8 percent
37 impervious cap, which County and federal projects have complied with. The ICC is not
38 likely to comply with that. The memo indicates particular concerns about the impact to the
39 ICC on this unique high-quality water-resource area. It says that the "Park and Planning
40 staff has information on the steep slopes, valleys, and hills." We heard just about that
41 now. "And given the extensive environmental and topographical challenges to the

February 24, 2009



1 recommended bikeway, we request that Councilmembers consider Council staff's
2 recommendation to also designate a New Hampshire-Randolph-Fairland shared-use trail
3 route. The T&E Committee is currently recommending only the trail that parallels the ICC."
4 So that is a request. And there are a number of questions raised. It notes that Dr. Orlin's
5 packet recommends that the trail being recommended by the committee may be
6 unbuildable. "Would it make sense to have some general environmental and topographic
7 evaluation of the recommended trail and Glenn's recommended alternative so the Master
8 Plan recommendation contains something that is buildable, if the Master Plan
9 recommendation were adopted? How much additional impervious area is added, and
10 what are the State Highway Administration limits of disturbance and right-of-way in this
11 area? Are they narrower than in other segments of the ICC for environmental reasons?"
12 That's a factual question. Do we know the answer to that at this point?

13
14 DAN HARDY:

15 I think if we-- actually, that slide shows it pretty well. You can see, where the words
16 "Intercounty Connector" are, the straight lines are the base Master Plan 300-foot-wide
17 right-of-way, and then the curvy lines that are very close to that is what the State Highway
18 Administration is planning as their limits of disturbance. Generally, a little bit less than the
19 300-foot right-of-way. In some cases, though--and actually, there should be a point on
20 there. It's not shown. There are places where they need storm water management where
21 we'd call bump-outs. They go outside even the Master Plan right-of-way a little bit. One of--
22 the Lower Oak Springs Pond was one of the success stories we had in the planning
23 process of making best use of one of those bump-out areas. The upshot, though, is that
24 whatever the state builds, their design builders are incentivized to save forest so that if
25 they can pull in even a little bit of a tighter design, they'll do that, but then they will--you
26 know, the ROD-- Record of Decision--basically says, put all the stones back the way you
27 found them, so that whatever they are not disturbing will look and feel just like the
28 parkland. And in fact, in this area, part of the ROD also says that the commission will get
29 back those pieces of land that were designated transportation areas that are not needed
30 for the roadway.

31
32 COUNCIL PRESIDENT ANDREWS:

33 OK. One other question that was raised is, is the recommended trail placement that would
34 be recommended for this area, under the recommendation of the T&E Committee--does it
35 fall within the State Highway Administration limits of disturbance?

36
37 DAN HARDY:

38 And that's actually --that's--let me say what our staff would like to see would be that we
39 would recommend that if the Master Plan says there should be a trail, SP-40 should be
40 located here, that the plan also give guidance that the first thing to look at would be to say,
41 could it be added to the area that has been disturbed? That might not be feasible because



February 24, 2009

1 it would probably mean either changing safety requirements for the distance between the
2 bikes and the road, or something that would be expensive--building in cantilevers or piers
3 or something to deal with that space separation issue. But that's what we should ask first,
4 at such time as the facility planning study, and only then, if we determine we can't avoid
5 additional impact, should we be looking at ways to minimize additional impact to that land
6 that is not disturbed already for the roadway.

7
8 COUNCIL PRESIDENT ANDREWS:

9 OK. As we noted at the beginning, this is a worksession, so we will be coming back, at
10 least at this point, on March 10 for proposed action on this. But I wanted to get these
11 issues out on the table, since they were raised by the District 4 office, they're of concern to
12 many people, and there is no Councilmember currently from District 4. So I may have
13 some follow-up questions of my own in that area, but these are issues that have been
14 brought to our attention from our--from the staff of District 4. OK. And I'll go across.
15 Councilmember-- actually, let's go to the committee members first, and then I'll go to the
16 other Councilmembers--Council Vice President Berliner, and then Councilmember
17 Leventhal.

18
19 COUNCIL VICE PRESIDENT BERLINER:

20 I just want to say that as the chair of the committee said, and as the lead for Energy and
21 the Environment for the Council, we did struggle with this. Part of the difficulty that I had,
22 quite frankly, is if you look at this area where the ICC is being constructed, we are talking
23 about six lanes of highway and a median that we are constructing across this area. And
24 what I struggled with was the notion that somehow having a bike path added to this was
25 the environmental tipping point for this area. Now, I fly-fish on that stream, all right? I care
26 about those little brown trout there. So I certainly do not want to do anything that would be
27 degrading of that stream, and I appreciate, as my colleagues do, the work that our former
28 colleague did to ensure that this was specially protected. But the notion that we can't do
29 this right with a modest addition to this incredible width of highway that we're putting there,
30 that by the time we are doing this, that we won't have pervious surfaces available to us -
31 because I believe we will, by the time we are constructing this. We're almost at the brink of
32 being able to have those kinds of bikeways now. So I believe that, one, we'll have the
33 technology, and two, I just--I find it very hard to accept that this is the tipping point for a
34 project that is going to cause this kind of activity in this area. So when I compare that to
35 the alternative bikeway that was suggested, I certainly look at that alternative and go,
36 "This is not pretty for bikers," and to the extent to which we want to encourage it, as my
37 colleague Councilmember Leventhal pointed out, we have the ability to include those
38 bikeways in our bikeway Master Plan. We can do that. So we can accommodate the
39 desire to have an alternative bikeway. We just don't have to call it the ICC bikeway, but we
40 can have both, if you will, but protect them in different manner. So that's why, in the end, I
41 was persuaded that the committee's recommendation was appropriate.

February 24, 2009



1
2 COUNCIL PRESIDENT ANDREWS:

3 OK. Councilmember Leventhal.
4

5 COUNCILMEMBER LEVENTHAL:

6 I want to associate myself with Mr. Berliner's comments, and I will stop talking.
7

8 COUNCIL PRESIDENT ANDREWS:

9 OK. Councilmember Elrich.
10

11 COUNCILMEMBER ELRICH:

12 My concern is that a lot of expense is going into the ICC in this section to keep it above
13 the water and above the wetlands, and that without a comparable expense and very, very
14 long bridges--which, if the state's not building, I don't recognize any money that we've got
15 lying around that's going to do this --means this basically runs on the surface, and that to
16 me is what's fundamentally different about this. If this goes on the ground and you have to
17 follow the contours of the streams, you're going to be doing a lot of cutting to get the
18 grades that they consider acceptable, and I don't think the County's going to build
19 something with 25% grades or 20% grades in a bike path. And that to me is a problem. If
20 you could run this, you know, on the shoulder lane for that length, notwithstanding Phil's, I
21 think, real serious issue about inhaling truck smoke that close, that might be one way
22 around it. If the state were to say, you know, we'll pave this within our 300--I mean, six
23 lanes is, what, about 72 feet? And a curb lane, I mean, a shoulder is another 12 feet on
24 each side, so you're still looking at like 96 feet, and you got a median strip and a 300-foot
25 right-of-way. I mean, why you couldn't add, suspended in the air, another 10 feet of bike
26 path, I don't know. But if they're not going to do that, and they're in design/build, and
27 they're going to try to get this thing paved and done in the next six to eight months--this is
28 the time schedule they're on. If that doesn't get done, then you are back on the ground. If
29 they said you're not going to cantilever, then near as I understand it, the construction
30 alternative is that you dig this on the surface.
31

32 GLENN ORLIN:

33 There's still potential of having--building the bike trail parallel to the ICC, probably even
34 within the right-of-way, and if not, maybe just off the right-of-way partly, but mostly on a
35 bridge.
36

37 COUNCILMEMBER FLOREEN:

38 Let me say--
39

40 COUNCILMEMBER ELRICH:



February 24, 2009

1 That's the issue. I mean, if you can't-- if you don't have the money to do that, and the
2 state's not going to do it, then it makes sense to me to designate the other path--that if you
3 ever get the money someday in the future to do this, that's fine, but in the meantime,
4 provide what you can provide for connectivity.

5
6 COUNCILMEMBER FLOREEN:

7 The point is, Mr. Elrich, this is what we're doing. We're designating this as something to be
8 looked at in the future. This is not a capital expenditure decision. This is a long-term vision
9 of what might be possible, taking into effect all the best practices that you take into
10 account when you got to it. It's just a Master Plan.

11
12 COUNCILMEMBER ELRICH:

13 It's just a Master Plan, but I'm concerned --you know, people have been told they're
14 getting this bikeway along the ICC, and in fact, a lot of it's ephemeral.

15
16 COUNCILMEMBER FLOREEN:

17 Well, it is if you say so.

18
19 COUNCILMEMBER LEVENTHAL:

20 We waited 40 years for the ICC.

21
22 COUNCILMEMBER FLOREEN:

23 Yeah. That's nothing.

24
25 COUNCILMEMBER ELRICH:

26 Yeah, but this was supposed to be one of the things, the goodies, that was supposed to
27 come with this.

28
29 COUNCILMEMBER FLOREEN:

30 Well, that's why we're--we want to retain it and find reasons why we can get to it at some
31 point, and if we take it off the table, it's gone. It's gone as an option to consider to work
32 through. And as Councilmember Berliner points out, there are lots of other considerations
33 to take into account here, and can be and will be at some point. The decision is not that
34 we're going to build this in the worst case possible fashion at this point. It's that we're
35 going to retain it as something to be hoped for, desire, in the right fashion in the future--
36 not today.

37
38 COUNCILMEMBER ELRICH:

39 Then I would like to take steps to ensure that the alternative at least gets--

40
41 COUNCILMEMBER FLOREEN:

February 24, 2009



1 It's already there. There already is --and the issue--

2
3 COUNCILMEMBER ELRICH:

4 Well, it's a road right now.

5
6 COUNCILMEMBER FLOREEN:

7 And the issue for us--well, there are bike lanes there, and the issue for us, as a policy
8 matter, is do we want to prioritize looking at this one in the long term. And that really was
9 the rec-- that's our recommendation-- prioritize it. If you can't do it, you can't do it, but it's
10 sure done everyplace else in the world, and if we really want to do it, if we want to put in
11 the kinds of supports you need to do to elevate it above the sensitive areas, it's doable.
12 You got to work it through. It'll be expensive, and we're not proposing that it be done at
13 this point.

14
15 COUNCILMEMBER ELRICH:

16 I would bet that there are other bike paths that are rejected for both environmental and
17 financial reasons. I don't think that everything is done everyplace else in the world.
18 Sometimes people say you can't do it. I mean, this may be one of those times. I'd love to
19 see the thing go straight rather than take that wind, but if it--if this winds up to be
20 something where you can't do it in an environmentally sensitive way--

21
22 COUNCILMEMBER FLOREEN:

23 Then we'll take it off the Master Plan.

24
25 COUNCILMEMBER ELRICH:

26 Then it ought not to be done.

27
28 COUNCILMEMBER FLOREEN:

29 Well, you know, the question is, when do you make that call? Do you make it now? We're
30 not prepared to say it can't be done.

31
32 COUNCIL PRESIDENT ANDREWS:

33 All right.

34
35 COUNCILMEMBER FLOREEN:

36 That's the issue.

37
38 COUNCIL PRESIDENT ANDREWS:

39 So one of the lingering issues out --and we can resolve it at the next session, which is
40 whether to also designate the New Hampshire-Randolph-Fairland shared-use trail route,

February 24, 2009



1 which was raised by District 4's staff and which the committee is not recommending, so
2 that's an issue that could come back to us. Councilmember Leventhal has his light on.

3
4 COUNCILMEMBER LEVENTHAL:

5 Well, I do think Mr. Elrich made an important point, and I think it bears mentioning, that it
6 is true that there had been a community expectation that a continuous bike trail would be
7 constructed along with the road, and it's a great disappointment to all of us who want to
8 see a lot more bike trails that the state has not followed through with that promise. So I
9 think that's an important point for us to make here. We wouldn't be having this
10 conversation had the state fulfilled that expectation. I wish they had. They're going to
11 construct a few non-continuous segments, and that's very disappointing, and that bears
12 mentioning, so I appreciate Mr. Elrich making that point.

13
14 COUNCILMEMBER FLOREEN:

15 That's a good point. Good point. OK. Moving along, there are a couple of alignment shifts
16 that the state of Maryland has made that we said, well, OK, that's what it is, and so we
17 propose reflecting that in the Master Plan. I don't know if we need to go through the
18 details. It's just the way it is.

19
20 COUNCIL PRESIDENT ANDREWS:

21 OK. I don't see any lights on that.

22
23 COUNCILMEMBER FLOREEN:

24 And then there are some parcel issues that are identified here at the very end, and we
25 ordinarily wouldn't get into too much detail there, but there is one matter in particular that
26 staff addressed. The committee didn't have information at our worksession on what's
27 known as the Asbury property, and although we have received some email on this, and I
28 have a summary of the issue here--and here are the packets, if you folks would like to
29 take them down there. The committee has taken a look at this issue, and, Glenn, you want
30 to point out the Asbury property?

31
32 GLENN ORLIN:

33 Yeah. Do you want to ask Mr. Loehr to come to the table, too? Charlie, please come up.

34
35 COUNCILMEMBER FLOREEN:

36 We have Mr. Loehr here. But the committee does not recommend that this land be
37 retained for future use. We've been informed there was a condemnation effort by the state
38 of Maryland, in which the state indicated that it did not need this land for the construction
39 of, basically, M-83. And that land is also-- we were informed it's on a ridgeline, so that we
40 don't think it's going to be used for environmental benefits to any additional construction.



February 24, 2009

1 So the --it is the committee's recommendation that we not retain it for future use, which is
2 in disagreement with the recommendations of Council staff.

3
4 COUNCIL PRESIDENT ANDREWS:

5 I just want to add, I appreciate the committee's recommendation. As this paper indicates,
6 the Asburys took the state to court and fought with the state for two years over the amount
7 of property to be taken. In December, the week before going to trial, the case was settled
8 out of court. The state agreed to redesign the cul-de-sac so the Asburys' house and
9 remaining property did not need to be taken. The state doesn't own, and never has
10 owned, the property in question, and we are informed that the property is located on a
11 ridgeline. And I appreciate the committee's taking this information into account in their
12 recommendation. I see Council staff wants to comment on this, as well.

13
14 GLENN ORLIN:

15 I just want to make sure it's clear we're talking about this. On circle 25 of the packet, you'll
16 see the area in the dark line is the area that the Planning Board, the final draft had
17 recommended as properties to be reserved for the Midcounty Highway Interchange, and
18 the part I believe the committee is talking about excising from that area is the hatched
19 area.

20
21 COUNCILMEMBER FLOREEN:

22 Yeah.

23
24 GLENN ORLIN:

25 You're not talking about the entire area. You're talking about just the hatched area.

26
27 COUNCILMEMBER FLOREEN:

28 Right. Thank you.

29
30 GLENN ORLIN:

31 And I don't know if you want to hear from the different folks. You have DOT and Park and
32 Planning, and Mr. Loehr representing the Asburys, if you want to. It's up to you.

33
34 COUNCILMEMBER FLOREEN:

35 I don't know if we need to get into...

36
37 COUNCIL PRESIDENT ANDREWS:

38 Does anybody need to? No, I think we're OK. I think we're OK.

39
40 GLENN ORLIN:

41 OK.

February 24, 2009



1
2 COUNCIL PRESIDENT ANDREWS:

3 We appreciate it being brought to our attention, and I appreciate the committee's
4 considering it, and their recommendation.

5
6 GLENN ORLIN:

7 Can I ask for one more clarification? As far as the follow-up for March 10, which is when
8 we're scheduled to come back, typically what would happen is we would draft--in fact,
9 Park and Planning is already working on drafting the final resolution, adopting the plan.
10 But you have this sort of relatively large, substantive issue. How do you want us to draft
11 this section of it--to have it written both ways, or...

12
13 COUNCIL PRESIDENT ANDREWS:

14 I would write it both ways, including both.

15
16 COUNCILMEMBER FLOREEN:

17 Could have options in it.

18
19 GLENN ORLIN:

20 Is there specific information you want for the staffs prior to the meeting?

21
22 COUNCIL PRESIDENT ANDREWS:

23 There may be. I will ask my colleagues to submit any additional information they want to
24 me ASAP, and I'll send it along, and we'll get any more information we need.

25
26 COUNCIL VICE PRESIDENT BERLINER:

27 The only information I would request is clarification with respect to what we can do without
28 designating that alternative as an ICC route, but as part of our bikeways Master Plan. OK?
29 And my understanding was that we could achieve functionally the equivalent by going in
30 this--through this alternative process.

31
32 DAN HARDY:

33 And I appreciate that. I'd like to clarify the two versions of the resolution that I'm hearing
34 us be asked to prepare is one that is the committee's recommendation to have SP-40 be
35 along the ICC and no other changes to the bikeways plan. What I am hearing is also the
36 second option would be to have SP-40 along the ICC but also designate another shared-
37 use path to be numbered and named something not the ICC, as part of this plan
38 amendment --to amend--this entire, you know, all of the SP-40 is part of the amendment
39 of the Master Plan of bikeways.

40
41 GLENN ORLIN:

February 24, 2009



1 Literally, there are already bikeways designated on New Hampshire- Fairland-Randolph.
2 It's a matter of changing the character of the New Hampshire and Fairland ones.
3 Randolph is already a shared-use path, so it's a matter of changing them from shared-
4 use--from bike lanes to a dual bikeway.

5
6 DAN HARDY:

7 Right. And it's not just character. It is literally the type of, you know--it's an off-road
8 bikeway along a road that we would be adding to those through a Master Plan
9 amendment process, and that would then allow DOT, for instance, to actually begin
10 pursuing the implementation of those shared-use paths along the county roads.

11
12 COUNCIL VICE PRESIDENT BERLINER:

13 That would be my suggestion, Madam Chair and Council President--that...

14
15 COUNCIL PRESIDENT ANDREWS:

16 OK. We'll add that as an option.

17
18 COUNCILMEMBER FLOREEN:

19 And with that, there are a few technical clean-up things, but I don't think that the Council--
20 well, the Council could take a further look at them, but I don't think there's too much there.

21
22 COUNCIL PRESIDENT ANDREWS:

23 OK, I don't see any other questions. All right. We're done with the worksession, then.
24 Thank you all very much. And we're scheduled to be downstairs now, on the first floor
25 auditorium, for lunch with our guests.

February 24, 2009



1

February 24, 2009



1 COUNCIL PRESIDENT ANDREWS:

2 Good afternoon, everybody, and thank you for your patience. We have several public
3 hearings, and we're going to start them. We do not have many speakers for them, and my
4 colleagues are on their way. We are running a little late this morning, and -- for a meeting
5 that we had over lunch, as well, but I know they'll be joining me shortly, and
6 Councilmember Leventhal is already here. This is a public hearing on a resolution to
7 amend the County Executive's recommended update to the County's 10-year
8 Comprehensive Solid Waste Management Plan. Persons wishing to submit additional
9 material for the Council's consideration should do so before the close of business on
10 Thursday, March 5, 2009. A T&E worksession is tentatively scheduled for Monday, March
11 9, 2009, at 2:30 -- I'm sorry, at 9:30 AM. Please call 240-777-7900 for more information,
12 and if you are speaking, before beginning your presentation, please state your name
13 clearly for the record. I am looking to see what speakers we have for this, and... We have
14 one speaker for this item, Julia Tillery, who's representing the Gude Landfill Concerned
15 Citizens. Welcome, and each speaker in our public hearings has three minutes. If it
16 buzzes before you finish, just complete your sentence, and please press the button and
17 introduce yourself.

18
19 JULIA TILLERY:

20 My name is Julia Tillery. I am here on behalf of the Gude Landfill Concerned Citizens. We
21 appreciate the Council's recognition that there are hazards at the Gude Landfill. The
22 migration of chemicals off site is known. It's now going on to parkland, and now we
23 suspect it's also going into our backyards. The County data show the increasing hazard
24 from toxic leaching. It's their own charts and their own chemical work. The plume of
25 contamination is clearly moving beyond the landfill. That's what the GLCC told the state
26 about, and that's what alarmed the Maryland Department of the Environment, and that's
27 why the state asked Montgomery County for a remediation plan. The only responsible
28 action at this point is to determine how far the toxic migration reaches beyond the Gude
29 Landfill, to stop it, and to clean it up where it has contaminated adjacent land. What is not
30 responsible is the yard trim proposal that adds tons of additional weight on the landfill
31 surface, forcing more leachate out the sides, like squeezing the dirty kitchen sponge. The
32 County's answer is, "We hope that doesn't happen. We don't think it will happen. We hope
33 it doesn't." That's not good enough. Let's stop calling it yard trim, by the way, because
34 we're not talking about the bags of leaves that you and I have. Those still go to the
35 transfer station. We're talking about a huge commercial wood waste facility that draws
36 tens of thousands of big trucks per year and generates tens of millions of dollars for the
37 county. It is not a neighborhood compost pile. And the storm water permit at Gude, which
38 has expired, is grossly insufficient to handle the kind of runoff from this kind of facility. It
39 should be the objective of the county to minimize the impact of solid waste management
40 facilities on the environment, on residents, and on any one area of Montgomery County.
41 That is, verbatim, what the Department of Environmental Protection said 15 months ago in

February 24, 2009



1 its Comprehensive Solid Waste Management Plan. "It is the objective of the county to
2 minimize the impact of solid waste management facilities on the environment, on
3 residents, and on any one area of Montgomery County." Now, the rhetoric is not
4 consistent with today's yard waste plan when it comes to the Gude Landfill. We don't want
5 to see further harm come to the Gude Landfill. The county can move its wood waste
6 facility to the secret location known as Site Number 2 or any other environmentally safe
7 site. The priorities for the Gude Landfill need to deal first with the recognized and growing
8 hazard. Delineate, remediate, and then reevaluate. Thank you.

9
10 COUNCIL PRESIDENT ANDREWS:

11 OK. Thank you very much. There are no other speakers for this public hearing. There is a
12 question or a comment from Councilmember Leventhal.

13
14 COUNCILMEMBER LEVENTHAL:

15 Ms. Tillery, were you present when the T&E Committee discussed the issues about
16 remediation at the Gude Landfill?

17
18 JULIA TILLERY:

19 No. I'm sorry. I watched it -- I watched the tape online.

20
21 COUNCILMEMBER LEVENTHAL:

22 OK. I've been very impressed with the information that's been presented to the Council
23 through the last several months by your committee.

24
25 JULIA TILLERY:

26 Thank you.

27
28 COUNCILMEMBER LEVENTHAL

29 There may be more than one committee. I just --

30
31 JULIA TILLERY:

32 Just one.

33
34 COUNCILMEMBER LEVENTHAL:

35 Yeah. And so I'm sorry that we didn't have the benefit of this testimony prior to that
36 discussion, because we had a lot of conversation with our Solid Waste Division, as you
37 know, because you watched it on TV. And we didn't dwell particularly on the issue of the --
38 the organic waste. They call it yard waste, I guess, and you don't want us to call it that, so
39 whatever we -- whatever we should call it. So I guess we will discuss that on March 9, and
40 I hope that in prep for that, our Department of Environmental Protection will give us a
41 detailed response to the concerns that Ms. Tillery has raised here. Let me just ask you,



February 24, 2009

1 Ms. Tillery, when you talk about the secret location known as Site 2 -- the Site 2 that I
2 know about is a former WSSC parcel in the east county, down Cherry Hill Road. Is that
3 what you're talking about? What -- what are you talking about?
4

5 JULIA TILLERY:

6 I don't know where Site 2 is. I know it's 840 acres, and it's only identified as Site 2.
7

8 COUNCILMEMBER LEVENTHAL:

9 OK. I'm sorry. Where did you hear about it? I mean, I know about a Site 2 which was --
10

11 JULIA TILLERY:

12 It's in one of the plans. I think it's in the Comprehensive Solid Waste Management Plan.
13

14 COUNCILMEMBER LEVENTHAL:

15 It sounds like Jennifer -- it looks like Jennifer Barrett wants to answer the question.
16

17 JENNIFER BARRETT:

18 Not my area of expertise, but we have a permitted landfill facility out in Dickerson called
19 Site 2. I believe that's what's referred to in the plan.
20

21 COUNCILMEMBER LEVENTHAL:

22 Dickerson.
23

24 JENNIFER BARRETT:

25 That we've never -- yeah, out there by the -- that we never developed or used or anything.
26

27 COUNCILMEMBER LEVENTHAL:

28 That we've never developed or used. Because I actually asked about that when we talked
29 about the Gude Landfill, and it was -- Jennifer, would you mind coming back up? Well, I'm
30 sorry. I'm just -- the issue has been raised. I mean, once somebody says there's a
31 "secret," you know, people think it's Roswell, New Mexico, and we're going to get all these
32 questions about it, so, you know...
33

34 COUNCIL PRESIDENT ANDREWS:

35 All right. We have someone who answered the question --
36

37 COUNCILMEMBER LEVENTHAL:

38 I'd like to pin this down. When we talk about Site 2 -- we asked during the T&E
39 Committee's discussion about the Gude Landfill, was it not correct that there were legally
40 binding contractual obligations that were reached some years ago with the community
41 around Dickerson with respect to the amount of yard waste, yard trim, organic material

February 24, 2009



1 that is stored there. Do those legal contractual restrictions, that we would have to go to
2 court and defend and probably lose, prevent us from taking advantage of this suggestion
3 that the wood waste, as Ms. Tillery suggests, could go to Dickerson rather than to the
4 Gude Landfill?

5
6 UNKNOWN SPEAKER:

7 Well, we have --

8
9 COUNCILMEMBER LEVENTHAL:

10 Because I asked that question.

11
12 UNKNOWN SPEAKER:

13 Right. You did. Well, there's three facilities in Dickerson we have. We have the resource
14 recovery facility we burn trash at, we have the compost facility right next door, where we
15 have a legal requirement not to exceed 77,000 tons per year, and then nearby we have
16 840 acres for a future landfill.

17
18 COUNCILMEMBER LEVENTHAL:

19 Ah.

20
21 UNKNOWN SPEAKER:

22 So I think what she's speaking to -- and it's in our Ten-Year Solid Waste Plan -- is the land
23 that we currently own up there.

24
25 COUNCILMEMBER LEVENTHAL:

26 OK.

27
28 UNKNOWN SPEAKER:

29 It's permitted. We have a waste disposal permit from the state. We have some
30 suspended --

31
32 COUNCILMEMBER LEVENTHAL:

33 OK. So when DEP answers Ms. Tillery's testimony for our committee meeting on March 9,
34 perhaps you could also discuss the feasibility of using that additional 840 acres at
35 Dickerson. Please. The suggestion has been made. It would be worth getting a response.
36 It's a suggestion. We -- Councilmembers are listening to it. We'd like to -- we'd like to be in
37 a position to address it. Not necessarily here and now, but when the T&E Committee
38 meets on March 9. OK?

39
40 COUNCIL PRESIDENT ANDREWS:

41 OK.

February 24, 2009



1 COUNCILMEMBER LEVENTHAL:

2 Thank you.

3
4 COUNCIL PRESIDENT ANDREWS:

5 You're welcome. And the T&E Committee worksession is tentatively scheduled for
6 Monday, March 9, at 9:30. Thank you very much. Our next -- oh, there we go. Our next
7 public hearing is on a resolution to approve franchise agreement for use of public right-of-
8 way -- XO Communications Services, Incorporated. Persons wishing to submit additional
9 material for the Council's consideration should do so before the close of business on
10 Thursday, March 5, 2009. A Management and Fiscal Policy Committee worksession is
11 tentatively scheduled for Monday, March 9, 2009, at 2 PM. Please call 240-777-7900 for
12 information. There are no speakers for this hearing, so the public hearing is closed, and
13 the worksession, again, Monday, March 9, at 2:00. Our next public hearing is on a budget
14 amendment for the Maryland-National Capital Park and Planning Commission's FY09
15 Operating Budget - Planning Department and Commissioner's Office - transfer of
16 appropriation for reorganization and increase in expenditure authority for the forest
17 conservation special revenue fund. Action is scheduled immediately following this hearing.
18 There are no speakers for this hearing, and the question then, is there a motion?

19
20 COUNCILMEMBER KNAPP:

21 So moved, Mr. President.

22
23 COUNCIL PRESIDENT ANDREWS:

24 All right. It's moved by Councilmember Knapp. Seconded by Councilmember
25 Trachtenberg. Is there any discussion on this item? I don't see any. All right. All those in
26 favor of approving this amendment, please raise your hand. That is unanimous among
27 those present -- Councilmember Elrich, Councilmember Trachtenberg, Councilmember
28 Floreen, myself, Councilmember Knapp, Councilmember Leventhal, and it is adopted 6-0.
29 Our final public hearing of the afternoon is on a supplemental appropriation to
30 Montgomery College's FY09 Capital Budget and amendment to the FY09-14 Capital
31 Improvements Program in the amount of \$507,143 for the Goldenrod Building renovation.
32 Action is scheduled immediately following this hearing. There are no speakers, for this
33 hearing, and the Education Committee has recommended approval, so that motion is
34 before the Council already, and is there any discussion on the issue? I don't see any. OK.
35 All right. Then we're ready to vote. All those in favor of the supplemental appropriation to
36 the Montgomery College Capital Budget for \$507,143 for the Goldenrod Building
37 renovation - source is contributions - please raise your hand.

38
39 COUNCILMEMBER FLOREEN:

40 Did you want a motion?



February 24, 2009

1 COUNCIL PRESIDENT ANDREWS:

2 It was -- it came out of the Ed Committee, so, uh... Councilmember Elrich,
3 Councilmember Trachtenberg, Councilmember Floreen, myself, Councilmember Knapp,
4 Councilmember Leventhal -- it is adopted, approved 6-0. Thank you, everybody, we are
5 right on time, 2:00, for -- on the second! Oh.

6
7 COUNCILMEMBER FLOREEN:

8 It's a beautiful thing.
9

10 COUNCIL PRESIDENT ANDREWS:

11 For our fiscal updates, and we have three fiscal updates scheduled -- updates that will
12 address three different areas. One is the -- first is the second quarterly analysis of the
13 FY09 revenues and expenditures, which will be provided by the Office of Management
14 and Budget and Finance, and then we will have a briefing from Executive staff about the
15 federal stimulus package and its projected impact on Montgomery County, and then we'll
16 have a discussion about results-based budgeting and CountyStat in regard to the FY10
17 Operating Budget. We have several representatives from the Executive Branch to join us
18 today, and please come on up for the items. First we're going to hear from Staff Director,
19 Council Staff Director Steve Farber, to give us some opening comments about the issues.
20 Mr. Farber.

21
22 STEPHEN FARBER:

23 Thank you, Mr. Andrews. You've described the items that we're going to be going over
24 today. The County Executive will be transmitting his recommended Fiscal 10 budget to the
25 Count -- to the Council two weeks from Monday. That sort of concentrates the mind. And
26 as a result, Mr. Andrews, you scheduled these fiscal updates for today. As you mentioned,
27 the first one deals with the second quarterly analysis, which is to say, for county
28 government, the review of expenditures and revenues for the first half of the fiscal year
29 ending last December 31. And we'll be hearing from Miss Barrett and Mr. Beach, and we'll
30 also be looking, as Mr. Knapp had requested when we reviewed fiscal matters on the 3rd
31 of February, at where our revenue picture stands now and what the implications of that
32 are for the gap between expenditures and revenues for the coming fiscal year. Then, as
33 you indicated, we're going to have a review, led by Kathleen Boucher and her colleagues,
34 about the county and the federal stimulus program, and finally, a review of CountyStat and
35 results-based budgeting. And with that, we can start out with the first item, which is the
36 second quarterly analysis.

37
38 COUNCIL PRESIDENT ANDREWS:

39 Thank you, Mr. Farber. And let's have the folks at the table introduce themselves for
40 people listening in or watching. Just go across the table.
41

February 24, 2009



1 DAVID PLATT:
2 David Platt, Chief Economist, Department of Finance.
3
4 COUNCIL PRESIDENT ANDREWS:
5 Good afternoon.
6
7 ROB HAGEDOORN:
8 Rob Hagedoorn, Department of Finance.
9
10 COUNCIL PRESIDENT ANDREWS:
11 Good to see you.
12
13 JENNIFER BARRETT:
14 Jennifer Barrett, Director of Finance.
15
16 COUNCIL PRESIDENT ANDREWS:
17 Good to see you, too. All right. Who's going to lead off?
18
19 JENNIFER BARRETT:
20 I'll start out. Mr. Beach is on his way, so if we could go ahead and turn in the second
21 quarterly analysis portion of your package, and -- I'm sorry, Stephen.
22
23 COUNCIL PRESIDENT ANDREWS:
24 That's circle 1, right?
25
26 STEPHEN FARBER:
27 Yeah.
28
29 COUNCIL PRESIDENT ANDREWS:
30 ...of the Item 13. Agenda Item 13, circle 1.
31
32 JENNIFER BARRETT:
33 To circle 8, and I will ask David Platt and Rob to go ahead and talk about where we are.
34 This is a simple update in terms of where we are on December 31 of 2008 as compared to
35 a year previously.
36
37 COUNCIL PRESIDENT ANDREWS:
38 OK. Circle 8 of agenda packet 13.
39
40 COUNCILMEMBER FLOREEN:
41 It's the beginning of the beginning.

February 24, 2009



1 COUNCIL PRESIDENT ANDREWS:

2 OK. It says "Revenue Update" at the top. There you go. Go ahead.

3
4 DAVID PLATT:

5 Based on the first bullet, total revenue collections, including investment income and
6 highway user, totaled a little over \$1.4 billion, which was 6.3% above the first half of FY08.
7 These are numbers from July through December. Excluding the property tax revenues,
8 collections were 572 million, and they were down 6.8% from the first half of Fiscal Year
9 08. Income tax collections through December were about \$443 million and up 2.8%, and
10 from the General Fund portion of the property tax collections, which includes penalties
11 and interest, they were at almost \$900 million, which is a 16.8% increase above the first
12 half of 08. And that large increase is due to the fact that the General Fund rate was
13 increased. Even though we kept it at -- the overall rate the same as FY08, the General
14 Fund rate was adjusted upward, and the other rates were reduced. That's why we have
15 such an increase in the General Fund. Taxable assessments were up 11.1%, which is,
16 again, probably on track with the 10% growth in the real property. And we see that, as I
17 said before, the rates for the General Fund went from 62.7 cents to 66.1%. The credit --
18 based on what the Council passed last July, or May-July, the credit, income tax offset
19 credit, was reduced from \$613 to \$579. Transfer and recordation taxes. Collections from
20 the transfer tax, which excludes condominium conversions -- so we look only at the
21 General Fund portion of this -- during the first half of FY09 were 37.2 million, or 16.8%
22 below the same period last year. Collections from the recordation tax, excluding the CIP
23 portion and the rate premium -- again, the General Fund portion -- were 21.3 million, a
24 decrease of 27.2%. Turning to circle 9, the decrease in the transfer and recordation taxes
25 is due to the continuing decline in home -- housing sales and mortgage activity. So
26 overall, recordation tax collections decreased 27.2% through December while collections
27 from mortgage financing decreased 47.4%. So the big decrease in the recordation taxes
28 is attributed to the mortgage refinancing. The volume of transfers during the first half of
29 FY09 were down 6.6% compared to last year, and the volume of recordation tax
30 transactions were down 37.6% compared to the first half of Fiscal Year 08. And that large
31 decrease in the recordation tax, again, is attributed to mortgage refinancing. Combining
32 the amount of revenues from the transfer and recordation taxes, General Fund portion
33 was 58.4 million compared to 73.9 million for the first six months of last fiscal year, which
34 is down 20.09%, which sort of at that time was in line with our November estimate of the
35 decrease.

36
37 COUNCIL PRESIDENT ANDREWS:

38 I'm sorry. Say that one more time.

February 24, 2009



1 DAVID PLATT:

2 That was in line -- up through December was in line with our November estimate. Things
3 have changed since then regarding home sales and prices, but I just want to let you know
4 that at that time, we were fairly on track with our November estimate.

5
6 COUNCIL PRESIDENT ANDREWS:
7 OK.

8
9 DAVID PLATT:

10 On the consumption taxes -- that includes the hotel/motel, admissions, fuel and energy,
11 and telephone taxes -- they totaled 50.8 million during the first half of FY09, which are
12 basically 4.7% above the same period in FY08. Fuel and energy taxes -- total of 30.8
13 million and 5.1% above the first half of FY08. A lot of that is attributed to the rate
14 increases that you all adopted because of the carbon tax and the 10% increase on a
15 couple of taxes. Consumption has gone down, but because of the rate increases, we're
16 still seeing about a 5.1% -- little bit below our expectation because of the changes in
17 consumption and the warm weather that happened at least through December.

18
19 COUNCILMEMBER KNAPP:
20 When was that?

21
22 COUNCIL VICE PRESIDENT BERLINER:
23 I'm sorry. Did you say warm weather?

24
25 DAVID PLATT:

26 Warm weather. Warm weather. We didn't have a cold December. What -- I'm sorry. What
27 -- I'm sorry. What did I mumble? Warm, warm?

28
29 COUNCIL PRESIDENT ANDREWS:

30 Yeah, it's been cold since December, but it wasn't cold in December.

31
32 DAVID PLATT:

33 It wasn't that cold - not cold historically, I think. Excuse me. Collections from the telephone
34 tax were 11.7 million in growth in the wireless telephones. Again, the landlines are coming
35 down significantly year over year, but the cell phones are still increasing at a good rapid
36 rate. Collections from the hotel/motel tax were running 3.1% period above the same
37 period last year, but again, they -- this only through December, so they don't include the
38 inauguration period, and we will expect a big bump up -- bump up -- excuse me -- during
39 the inauguration period. The admissions tax, they're down 16.2%, and that's across the
40 board. That's the golfing, the theaters, everything is down. People are probably staying at
41 home, I imagine. Revenues from the county's pooled investment income were 8.7%

February 24, 2009



1 during the first half of this fiscal year and 63 -- 64 -- excuse me, 64.3% below the same
2 period last year. That's because of the dramatic rate cuts that we've seen by the Federal
3 Reserve. However, you know, with the recent cuts -- and this is talking about the cuts that
4 happened in January and late December, going down to 0.25%. They're not all reflected
5 in these numbers, so we could see further decline in the investment income for the rest of
6 the year at 0.25. I think I briefed the Council a couple of weeks ago about what the futures
7 market and the Federal Reserve policy seems to be through the rest of the year, so we'll
8 probably see some decline compared to last year -- further decline compared to last year
9 in investment income. Highway user revenues received to date were \$12 million and 0.8%
10 below the first half of FY08. And the next sheet gives you a table, a tabular representation
11 of the revenues through Jan -- through December. Excuse me.

12
13 COUNCIL PRESIDENT ANDREWS:

14 OK. Thank you. Anybody else at the table want to say anything in this area -- on this
15 subject before we go to questions?

16
17 JENNIFER BARRETT:

18 I think we should finish the fiscal update...

19
20 COUNCIL PRESIDENT ANDREWS:

21 Yes.

22
23 JENNIFER BARRETT:

24 Which is really just about the first half of the fiscal year, and Joe will want to touch on a
25 couple of points on the expenditures side of the equation. Then we can talk generally
26 about...

27
28 COUNCIL PRESIDENT ANDREWS:

29 OK.

30
31 JOE BEACH:

32 On the expenditures, for the second quarter numbers --

33
34 COUNCIL PRESIDENT ANDREWS:

35 Go ahead and introduce yourself, Joe.

36
37 JOE BEACH:

38 Oh. Excuse me. Joseph Beach, Director, Office of Management and Budget. We are on
39 the track with the County Government Savings Plan. As Mr. Farber's packet points out,
40 we're about .3 million below what we had estimated, taking into account some of the
41 overages in certain departments we've noted, including Board of Elections, the Ethics



February 24, 2009

1 Commission, and Sheriff's Office. That has largely been offset by surpluses above the
2 savings plan in other departments. One thing that's not in the packet that we've done to --
3 that's not reflected here is we've gone through a midyear review of our outstanding prior
4 year contractual encumbrances and have liquidated over 6 million of those, which have
5 produced additional savings above the savings plan target, which can be carried forward
6 into FY10 and used to fund the FY10 budget, as well. Couple of other adjustments we're
7 making to the fiscal plan would be to reserve 1.3 million for the special elections in District
8 4. We had been holding an assumption of 15 million for snow and storm cleanup. I think to
9 date we've spent about 1.8 million of that. We need an update from DOT on that to see if
10 there's any of that we could release going forward. It seems like every time I talk about
11 releasing it, we have a storm, so I'll try to be careful.

12
13 COUNCIL PRESIDENT ANDREWS:

14 OK. We're knocking on the wood. OK. All right.

15
16 STEPHEN FARBER:

17 Mr. Andrews, before we go to questions, it might be useful to look at page 2 of the cover
18 memo. There are five bullet points that I've made there that I think will lead into the
19 discussion that Mr. Knapp and others are interested in with respect to what has happened
20 since December 31 -- in other words, the first couple of months of this year leading into
21 Fiscal 10. The first point is simply that, as everyone knows, the Federal Reserve has
22 downgraded its projections for the economy quite sharply. Their view is that the
23 contraction will be prolonged, that unemployment on a national basis will approach 9% by
24 the end of this year, and the majority view at the Fed currently is that unemployment won't
25 return to a more normal range of about 5% until 2012 or later. Then you recall that did
26 have, on December 2, a review of the Council -- the county fiscal plan update. The gap at
27 that time was in the area of 450 million for Fiscal 10. That was a huge increase from the
28 gap of just a couple of months earlier, and that was a result of a downward revision of
29 revenues of more than \$200 million, and that was associated with the collapse of the
30 financial markets in September and the economic contraction that has ensued since then.
31 The third bullet point has to do with economic indicators. The MFP Committee received
32 their briefing on the second of February, and the committee felt strongly that you should
33 receive the same briefing on the third of February, which you did, and again, the indicators
34 have not improved. They remain problematic. Also included in the packet as the fourth
35 bullet is the Comptroller's February 17 letter about January revenues from the state. And
36 as he indicated, General Fund revenue for the state was down 8.2% in January 2009
37 compared to one year earlier. Estimated individual tax payments were quite weak, and
38 sales tax performance continues to disappoint. Next month, in March, the state is
39 schedule to revise its revenues, and every indication we have is that there will be a
40 significant downward revision by the state in its revenue projections for Fiscal 10 next
41 month. And finally, we did receive, a few days ago, the large February distribution of



February 24, 2009

1 county income tax revenue from Annapolis. It was \$292 million, about \$3.3 million less
2 than Finance's downwardly revised estimate made in December. In other words, it was
3 close to what the projection downwardly revised in December had been, but the question
4 we now face and that is critical to the -- as we look ahead to Fiscal 10, is, what
5 implications the February distribution and other factors have for our revenues. The
6 Executive, in his recommended budget in a couple of weeks, will be making a revenue
7 estimate, and that will be an important starting point for the Council's fiscal discussions. I
8 think Mr. Platt has made mention of the fact that transfer and recordation taxes, as weak
9 as they were in the first half of this fiscal year, fell actually further -- below projection, I
10 believe -- in the first month of this year. And then there is also other important information
11 we'll hear from Mr. Platt, Mr. Hagedoorn, and Miss Barrett about the implications of the
12 February income tax distribution. And with that, I'll turn it over, Jennifer, to you.

13
14 JENNIFER BARRETT:

15 I appreciate Steve -- I thought he had well represented some of the things that we're
16 seeing moving into 2009 in his packet, and so it should come as no surprise to any of you
17 all that we also are seeing a downward trend in Montgomery County revenues, as well.
18 We are not prepared today to give a full, detailed update on all the individual revenue
19 sources, but we are looking at a downward revision in the neighborhood of about 70
20 million additional dollars downward.

21
22 COUNCIL VICE PRESIDENT BERLINER:
23 70?

24
25 JENNIFER BARRETT:

26 70, but probably even a little higher than that. We have not finished our work yet on
27 investment income.

28
29 COUNCIL PRESIDENT ANDREWS:
30 OK, and that's 70 million for FY09 or 10?

31
32 JENNIFER BARRETT:

33 We look at things in the combined two years, in both FY09 and FY10, but the vast majority
34 of it is in FY10. While the January and February distributions of income taxes were fairly
35 steady -- they could have been a lot worse -- we're more troubled by the overall economic
36 news that we've been kind of leading up to with economic indicators. Presentation was
37 given to you a few weeks ago. This information from the state -- they are vastly
38 downwardly revising their estimates, and the stock market, on which a good portion of our
39 income-tax revenue is based, from some wealthy taxpayers and businesses with
40 investments, and capital gains income is simply experiencing even worse times. Back --
41 we had a bad, bad October, and our November estimate reflected some of that, but things

February 24, 2009



1 were starting to look up, and they've just turned back down. So we're talking to folks in the
2 economic community as early as this morning that are looking at a long, deep recession
3 with a slow recovery, and so we wanted to give you that kind of an update in general. I will
4 note that, while this is bad news, the good news is that Montgomery County's salary and
5 wage base, on which withholdings and our fundamental base income tax revenues is
6 based, has been steady. Our jobs are steady, and our income is up slightly, is the
7 information that David is providing. And that's a base that is going to carry us on into the
8 future, and I've got to say, other places in this country are vastly in worse situations than
9 we are, because they're losing their base income. We have a steady base. But our
10 additional income from late filers, the things related to, as I mentioned, capital gains and
11 the stock market, is a piece that was... extravagant, I think, might be a good word, a few
12 years ago in terms of the size of it, and we were budgeting to spend it, and I think we're
13 going to have to need to look at our structure of our budgeting going forward. We're going
14 to adjust down to these income revenue trends, but we may want to think about how we
15 structure what we spend going forward, because this is the most volatile part of our
16 revenue base, is this portion of the income tax revenues.

17
18 COUNCIL PRESIDENT ANDREWS:
19 Investment -- capital gains and investment.

20
21 JENNIFER BARRETT:
22 It's the stuff from the late filers, and David and Rob can expound on all of that.

23
24 COUNCIL PRESIDENT ANDREWS:
25 OK. Are you...

26
27 JENNIFER BARRETT:
28 This is a time for questions.

29
30 COUNCIL PRESIDENT ANDREWS:
31 Oh, all right. All right. Well, I wasn't sure. You looked like you wanted to add something.
32 OK. Well, that's a -- 70 million down, a revision downward of \$70 million is a very
33 substantial amount and would, if it's -- if it were all added to the FY10 projected shortfall,
34 would push that up over 500 million.

35
36 JENNIFER BARRETT:
37 If you remember, I've got a note that we were at \$515 million previously, so that just
38 shows how bad our problem is and how extreme our actions are going to have to be to
39 solve it. We had gotten it down, as noted, to 450, but we started up much higher.

February 24, 2009



1 COUNCIL PRESIDENT ANDREWS:

2 Right, so we were -- 450 had been the estimate at this point as of yesterday.

3
4 COUNCILMEMBER LEVENTHAL:

5 Those happy days when we were only looking at a 450 million deficit.

6
7 COUNCIL PRESIDENT ANDREWS:

8 Right. And that reflected the savings from the savings plan, so now we're back up,
9 basically, to where it was before the savings plan, and the savings have already been
10 taken from that savings plan. I wanted to ask our economist -- he gave a lot of numbers in
11 his presentation, but what stood out to you the most in the numbers that you reviewed?
12 What would you take away from it?

13
14 DAVID PLATT:

15 The fact of the matter is that most of them are down. I mean, as a general statement. Both
16 the consumption taxes -- energy consumption is down. Hotel/motel, the capacity utilization
17 is down for the county. We heard that again this morning in our business meeting. The
18 fuel and energy, which we just talked about. The telephone is the only thing that's held
19 steady because of the increase in the cell phones. But the admissions tax are down, the
20 recordation tax because the sales are still continuing to go down -- everything is down, so
21 I -- the bottom line to this, I wouldn't expect any increases to come over the next couple of
22 months in terms of revenues. Bottom line.

23
24 COUNCIL PRESIDENT ANDREWS:

25 OK. All right. Thank you.

26
27 DAVID PLATT:

28 Sorry, Phil.

29
30 COUNCIL PRESIDENT ANDREWS:

31 Yeah. It's dismal science -- called the dismal science for a reason. OK. Let's -- I'm going
32 to -- I'm going to start at the left of the table and just work down, because we've got a
33 number of lights, and I'll start with Councilmember Trachtenberg.

34
35 COUNCILMEMBER TRACHTENBERG:

36 Thank you, President Andrews. Well, before I ask my one question, I want to thank all of
37 you for being here and for your continued effort on behalf of all of us. I can't say I'm really
38 surprised with the numbers that you're sharing with us this afternoon. I wonder, Jennifer,
39 you know, one of the questions that I often get asked when I'm out in the community is
40 around the stability of the county investments, and beyond the conversation on revenues.
41 Can we have a little bit of a snapshot on that and our stability with that, because that's

February 24, 2009



1 something that other jurisdictions are having, you know, some impact around, and I want
2 to make it clear, in public discussion, despite the revenues that are falling, we're in a fairly
3 conservative place and a very stable place, despite the fluctuations of the market. In other
4 words, we're not taking large risk.

5
6 JENNIFER BARRETT:

7 We are not taking large risk. I can state that certainly. But the portion of the investment
8 portfolio that I can speak to most immediately is our short-term working capital portfolio.
9 This is the receipts coming in. They're in a pooled investment. It does include not only
10 Montgomery County governments, but some of our smaller partner jurisdictions and our
11 local municipalities are part of our investment pool. But we have a very strict and very
12 conservative investment policy associated with that pool that both conforms to state law in
13 terms of limited -- limitations on investments. There's limitations on the portion of the pool
14 that can be in any one given type of investment, and also further constrained by the
15 county's own investment policy, which the Council last revisited some time ago, but we
16 don't propose immediately any changes, because we're in a very conservative time right
17 now. So there's -- we wouldn't want to be opening it up right now at a time when we need
18 to be conservative. Our investment income is very low, but we are not at any risk of
19 principal. We have investments in CDs, in banker's acceptances, in a lot of things in
20 federal, like Fannie Mae and Freddie Mac, the federal agencies. They're very
21 conservative and short-term forms of investment, and that's the county's short-term
22 investment working capital portfolio. The other area of investments is the pension fund,
23 but that's run by a Board of Trustees. I'm not authorized to really speak in general about
24 that -- I mean, in any kind of detail about the pension fund. We have strict policy in terms
25 of the chair of the Board speaking to that. But that's a more long-range type of investment,
26 so there -- there is a wider variety of investments that have been impacted by the stock
27 market. But there's a huge distinction between the long-range outlook of the pension fund
28 versus the short-term working capital of our investment pool that we run.

29
30 COUNCILMEMBER TRACHTENBERG:

31 No, I thank you for the response, because again, what I am attempting to do is to create a
32 little bit of comfort in what is an uncomfortable situation. But I think it's important to note
33 that there are regulations that we have to adhere to, and clearly, we've all -- our
34 conservative position serves us well at this time.

35
36 COUNCIL PRESIDENT ANDREWS:

37 Thank you, Councilmember Trachtenberg. Councilmember Floreen.

38
39 COUNCILMEMBER FLOREEN:

40 Thank you. Looking at, I think, the chart you've got on circle 13... I think. I've been -- last
41 night and today, I've been looking at the Revenue Summary Chart on circle 12 and the

February 24, 2009



1 fiscal plan update on circle 13, just trying to understand what the reality is here. And I
2 know I asked you these questions, I think it was in December, and I sort of wanted to get
3 an update. Based on what you understand to be the case as of now, what is the variation
4 in the resources for Fiscal Year 09 from what we budgeted? Do you know that?

5
6 JENNIFER BARRETT:

7 Actually, I do. As we've made -- and remember, we had a budget --

8
9 COUNCILMEMBER FLOREEN:

10 You made some adjustments this year.

11
12 JENNIFER BARRETT:

13 And the total of the adjustments for FY09 -- that we'll see after we get into these detailed
14 adjustments will be reflected in the March 15 budget -- is about 94.5 million of adjustments
15 in Fiscal 09 across the various revenue sources that we've talked about -- income,
16 property, transfer, recordation, the other taxes, investment income, and highway user
17 revenue.

18
19 COUNCILMEMBER FLOREEN:

20 So basically you're -- you anticipate basically that we will have \$100 million, a little less
21 than \$100 million than we anticipated for this current fiscal year.

22
23 JENNIFER BARRETT:

24 Less than budget.

25
26 COUNCILMEMBER FLOREEN:

27 Right. Less than budget. Fine. OK. That's -- that helps me to focus on that. And then, so
28 as we look at next year, of course it's a certain amount of conjecture based on these other
29 occurrences in the market at this point, but... Looking at all -- the way we balance
30 resources, you can't just look at revenue. You have to look at all the different resources
31 that we have available. Looking at the what we expect next year to look like -- and
32 obviously, you're going to tell is what you think in a couple of weeks when we get the
33 budget.

34
35 JENNIFER BARRETT:

36 The general number for FY10 is a write-down of 221 million from budget.

37
38 COUNCILMEMBER FLOREEN:

39 200...

February 24, 2009



1 JENNIFER BARRETT:
2 21 million from budget.
3
4 COUNCILMEMBER FLOREEN:
5 221 from this year's budget, or...
6
7 JENNIFER BARRETT:
8 From the numbers assumed for Fiscal Year 10 in the approved FY09 budget.
9
10 COUNCILMEMBER FLOREEN:
11 So...
12
13 COUNCILMEMBER KNAPP:
14 So in the six-year fiscal plan, the numbers for 10 will be --
15
16 COUNCILMEMBER FLOREEN:
17 Well, that's what I'm trying to understand. So where it says 4.286 million, is that the
18 number you're talking about?
19
20 JENNIFER BARRETT:
21 Are you on 12 or 13?
22
23 COUNCILMEMBER FLOREEN:
24 I'm on circle 13, down at the corner bottom there.
25
26 UNKNOWN SPEAKER:
27 That's use.
28
29 JOE BEACH:
30 That would be total uses, so that would be both the operating budget for the agencies as
31 well as the other uses, including debt service and current revenue CIP.
32
33 COUNCILMEMBER FLOREEN:
34 Yeah.
35
36 JENNIFER BARRETT:
37 I'm talking about against Line 2.
38
39 COUNCILMEMBER FLOREEN:
40 Line...OK.
41

February 24, 2009



1 JOE BEACH:
2 Revenues. Yeah.
3
4 JENNIFER BARRETT:
5 Which is revenues.
6
7 COUNCILMEMBER FLOREEN:
8 You're just talking -- so you're speaking only to revenues.
9
10 JENNIFER BARRETT:
11 I am speaking only to revenues. Right.
12
13 COUNCILMEMBER FLOREEN:
14 And what you're saying is that... So is this number the current number that you're
15 assuming?
16
17 JENNIFER BARRETT:
18 On this fiscal plan update?
19
20 COUNCILMEMBER FLOREEN:
21 Yeah.
22
23 JENNIFER BARRETT:
24 No. This is the same fiscal plan update that you saw...
25
26 JOE BEACH:
27 November.
28
29 COUNCILMEMBER FLOREEN:
30 OK. So then, right now, you --
31
32 JENNIFER BARRETT:
33 We haven't updated the fiscal plan yet.
34
35 COUNCILMEMBER FLOREEN:
36 OK. So right now you're saying, you're looking at \$200 million less than what's shown in
37 this chart?
38
39 JENNIFER BARRETT:
40 No. This chart was reflecting the November update. You asked for me to provide you
41 number from budget. This plan was reflecting the November update, so --

February 24, 2009



1 COUNCILMEMBER FLOREEN:
2 Right. And so now --
3
4 JENNIFER BARRETT:
5 We're changing, from November to now, by about 70 million.
6
7 COUNCILMEMBER FLOREEN:
8 About 70 million...
9
10 JENNIFER BARRETT:
11 Less.
12
13 COUNCILMEMBER FLOREEN:
14 Below this number that's shown here? So what you anticipate in revenues for 10, based
15 on what you know as of end of February, would be about 3,690,000? Is that what you're
16 saying? I'm just trying to --
17
18 JENNIFER BARRETT:
19 That makes sense. Id' like to -- we'd like to reconcile the numbers.
20
21 COUNCILMEMBER FLOREEN:
22 I'm not trying to box you in or anything. I'm just trying to understand where the current
23 numbers are.
24
25 JENNIFER BARRETT:
26 70 million less than where we were...
27
28 COUNCILMEMBER FLOREEN:
29 \$70 million less. So that leaves us at practically right where we are this year, in terms of
30 estimated revenues. If I go back on that same line and look at the estimated Fiscal 09, the
31 3.669 number -- is that also off?
32
33 JENNIFER BARRETT:
34 That's why the 70 was between the two years. But about there, so...
35
36 COUNCILMEMBER FLOREEN:
37 So it's about the same, roughly.
38
39 JENNIFER BARRETT:
40 Because most of it is in 10.
41

February 24, 2009



1 COUNCILMEMBER FLOREEN:

2 30 million, plus or minus. I'm sorry. Mr. Farber?

4 STEPHEN FARBER:

5 Yes. I think you've zeroed in on it. There's virtually no revenue growth.

7 COUNCILMEMBER FLOREEN:

8 So no revenue increase from this year and next year. I'm just trying to boil it down into
9 somewhat more simple terms.

11 COUNCIL PRESIDENT ANDREWS:

12 So it would be a flat budget. That would be a flat budget.

14 JOE BEACH:

15 Can I point out something?

17 COUNCILMEMBER FLOREEN:

18 For the purposes of communication to the rest of the public.

20 JENNIFER BARRETT:

21 Remember, I'm only reporting on a few revenue sources.

23 COUNCILMEMBER FLOREEN:

24 Well, that's why I asked about resources.

26 JENNIFER BARRETT:

27 So I don't think it's -- go ahead, Joe.

29 JOE BEACH:

30 Yeah. The only thing I was going to mention, because Jennifer is talking about the major
31 taxes.

33 COUNCILMEMBER FLOREEN:

34 Sure.

36 JOE BEACH:

37 But one thing that's not accounted for yet in the fiscal plan would be the additional state
38 aid for MCPS for education.

40 COUNCILMEMBER FLOREEN:

41 Well, then there's the whole stimulus stuff, which I appreciate I separate.



February 24, 2009

1 JOE BEACH:

2 Well, even outside the stimulus, I mean, with the state repayment in FY09 of about 24
3 million. Then there'd be the recalculation of the FY10 payment that was an additional 24
4 million.

5
6 COUNCILMEMBER FLOREEN:
7 Right.

8
9 JOE BEACH:

10 Now, because of the stimulus, I understand the Governor has proposed to fully fund the
11 geographic cost of education inducts, which is about another 21 million, and also to
12 restore a reduction in the non-public placement reimbursement, which is about 5 million.
13 So -- now, that's all education aid. It's not general aid. It's very targeted and specific. But it
14 wouldn't be reflected in those numbers.

15
16 COUNCILMEMBER FLOREEN:

17 OK. So let's agree that's the next conversation we're going to have, about the stimulus,
18 but it's not reflected in any of these charts, and I think it's important for us to understand
19 that.

20
21 JENNIFER BARRETT:

22 I'm sorry, but that's why I've been uncomfortable translating from the numbers I'm giving
23 you to this chart, because they're -- this is a slice of the pie, and this is the whole pie, and
24 we haven't reconciled the whole pie yet.

25
26 COUNCILMEMBER FLOREEN:
27 Sure. Sure.

28
29 COUNCILMEMBER TRACHTENBERG:
30 It's moving target.

31
32 COUNCILMEMBER FLOREEN:

33 But based on what you currently experience -- you're seeing out there -- without reflecting
34 state aid issues, you're basically looking at flat revenues. Is that right? You don't want to
35 say that. OK. I'm not trying to put words in your mouth. I'm just trying to translate into the,
36 sort of, average person language, because I know that you speak very carefully in how
37 you define these terms, and frankly, when I go out into the community, I want to be
38 accurate in what I'm saying. I don't want to misrepresent a situation if I'm wrong, and so...

39

February 24, 2009



1 JENNIFER BARRETT:

2 I don't have it before me to be able to answer that with certainty. I can tell you that we're
3 looking at tax-supported revenues and highway user revenues that are 70 million less
4 than we thought they were in November. 70-plus.

5
6 COUNCILMEMBER FLOREEN:
7 OK.

8
9 JENNIFER BARRETT:

10 That's the message today.

11
12 COUNCILMEMBER FLOREEN:

13 All right. That's the best you can say. OK. Well, we will continue to follow this closely.
14 Thanks.

15
16 COUNCIL PRESIDENT ANDREWS:

17 OK. thank you. Councilmember Knapp.

18
19 COUNCILMEMBER KNAPP

20 Thank you, Mr. President. I'm going to follow up on the plain English speaking type stuff,
21 because people are trying to get a handle around big numbers, so I'm a little disappointed
22 when you said you didn't bring things with you, because this is obviously the types of
23 questions we would be asking, a little bit. But, um... you talked -- Mr. Beach, you talked
24 about the notion of our -- we're a little bit about what we'd hoped to achieve with the
25 savings?

26
27 JOE BEACH:

28 A little behind.

29
30 COUNCILMEMBER KNAPP:

31 Little behind. OK. Three million behind.

32
33 JOE BEACH:

34 300,000.

35
36 COUNCILMEMBER KNAPP:

37 300,000. Do we -- last year, when we got to November, we did our year-end transfers, we
38 found a great big number attached to police that, all the way through the year, we didn't
39 see, we didn't see, we didn't see, and then, boom -- all of a sudden, we had this big
40 number. Have we been scrubbing these numbers all along so we have some sense as to
41 whether or not the numbers we're looking at are accurate numbers so that when we say



February 24, 2009

1 we're only 300,000 off, we feel pretty confident that we're in the ballpark, or are there
2 some things lurking out there that we're not looking at yet?

3
4 JOE BEACH:

5 We were -- I think we were pretty careful with the analysis. Always things can happen that
6 we didn't know about or surprises later, but I think we were pretty -- our departments
7 were, and we, in turn, in our analysis pretty careful about that. I did want to point out, we
8 did indicate, in both the second and third quarterly analysis, we saw some problems with
9 the police and, I believe, the Department of Corrections budget. We didn't offer a specific
10 estimate, but we did try to indicate to Council that they may not meet their savings plan
11 target or even their budgets.

12
13 COUNCILMEMBER KNAPP:

14 So we think that then the 22 that we've assumed is going to be -- we're going to be getting
15 close to it at the end of the year.

16
17 JOE BEACH:

18 Yes.

19
20 COUNCILMEMBER KNAPP:

21 OK. do we anticipate -- back in September, it was suggested we would potentially need
22 furloughs for this year, FY09. Is there any expectation, given the numbers that we've seen
23 and the savings plan that we have in place, that that is a tool that we may still need to
24 employ?

25
26 JOE BEACH:

27 It's a tool we still may need to employ. We still have a non-departmental account with a
28 negative appropriation of about \$8 million. That was the target the County government
29 was assigned for additional savings. Either we meet it through the savings we identified in
30 the savings plan or by other methods, or we use furloughs to achieve those savings.

31
32 COUNCILMEMBER KNAPP:

33 It was my understanding that we'd already -- you'd already met 5 of the 8 million. Is that
34 not accurate, Mr. Farber? Had we not said there was about 3 million left to achieve?

35
36 STEPHEN FARBER:

37 Yes, I believe that's right. There certainly was a segment of that that had been achieved
38 through the other means.

39
40 COUNCILMEMBER KNAPP:

41 Through the RIP and through a variety of other things.

February 24, 2009



1 JOE BEACH:

2 We met 2 million of the 8 million target. One million, I believe -- correct me if I'm wrong,
3 Alex -- was from additional savings from the Retirement Incentive Plan. Another million
4 came from a change from management leadership pay for performance. We had reduced
5 the level below what we had expected. The 5 million from the Retirement Incentives Plan
6 was built into the budget. It was in addition to the \$8 million savings target we were
7 assigned with the approval of the 09 budget. Those -- not only did we meet that 5 million
8 target, we actually exceeded it, so --
9

10 STEPHEN FARBER:

11 I guess the one question, Mr. Knapp, in that regard, is, the Council did approve a savings
12 plan several months ago that was, I believe, \$32 million in size. And I think, Joe, what you
13 just said is that that \$8 million number from last May -- one way to view it as having been
14 resolved is via the savings plan.
15

16 JOE BEACH:

17 Correct. From the \$22 million portion from the County government.
18

19 COUNCILMEMBER KNAPP:

20 OK. So, I guess my question is, do we still -- given the projections we have right now, are
21 we anticipating coming in meeting our budget numbers, or do you still think we're looking
22 at a gap in this current fiscal year?
23

24 JOE BEACH:

25 Oh, in FY09?
26

27 COUNCILMEMBER KNAPP:

28 FY09.
29

30 JOE BEACH:

31 You mean a fund balance gap?
32

33 COUNCILMEMBER KNAPP:

34 Mm-hmm.
35

36 JOE BEACH:

37 Well, certainly we'll be below the appropriations --
38

39 COUNCILMEMBER KNAPP:

40 Meaning that we would take out of the reserve to make sure --
41



February 24, 2009

1 JOE BEACH:

2 Correct. Yeah. Well, first -- in the first case, we will meet the appropriated budget. We'll be
3 below the appropriated budget. In terms of our fund balance, whether or not we have a
4 surplus or a deficit, I think we need to do a very careful analysis of that, since we have
5 new estimates at this point. I cannot say what the impact -- I know at midyear, we were
6 very concerned for a few of our funds, including the General Fund, that with the write-
7 down in revenues in the current year, it was possible for us to end in a deficit. I think with
8 the new revenue estimates we have here, we -- I would have to go back and look at what
9 the impact on the projected ending fund balance is. I -- it's too early to make that --

10
11 COUNCILMEMBER KNAPP:

12 OK. Well, at what point would we then determine whether or not we needed to do
13 furloughs?

14
15 JOE BEACH:

16 To do furloughs -- I mean, there's a couple of reasons we would want to do furloughs, one
17 of which is because we just have revised our revenue estimates by 70 million. We need to
18 produce a balanced budget, so we need to reduce current year spending so we can carry
19 that fund balance in FY10. The second would be the \$8 million savings target that was
20 part of the budget approved by the Council in FY09.

21
22 COUNCILMEMBER KNAPP:

23 With all due respect, we've already saved \$32 million, so I'm pretty sure we hit the 8
24 million that was out there. So you guys may not want to count it that way, but I'm pretty
25 sure we already hit it.

26
27 JOE BEACH:

28 OK, then I'll just -- with all due respect, I'll point out that instead of having 22 million to
29 carry forward into FY10, I would then have, you know, 14 million.

30
31 COUNCILMEMBER KNAPP:

32 We would then have.

33
34 JOE BEACH:

35 The county. Yes, "we."

36
37 COUNCILMEMBER KNAPP:

38 Thank you. So do we-- when would we make a decision as to whether or not we would
39 want to do furloughs? I mean, we've got four months left in this current fiscal year. We've
40 kind of gone through all the pieces. You just said we don't have a good sense of the
41 numbers. At what point would we want to have that conversation?



February 24, 2009

1 JOE BEACH:

2 I could not, right here, commit to a specific timeframe. I would, you know, expect it would
3 be fairly soon. We still have not concluded renegotiating with our unions, either, so...

4
5 COUNCILMEMBER KNAPP:

6 That's another problem. So if we look at going into next year, then we're looking at about -
7 - 520 is the number you guys are looking to try to achieve as the gap that has to be closed
8 in the FY10 budget.

9
10 JOE BEACH:

11 I would not -- I mean, if you just -- all other things being equal, yes. If you took the gap we
12 had in November, added 70 million to that, yes, it would be 520. But it's a \$4 billion
13 budget. There's a lot going on in it, but, you know...so...

14
15 COUNCILMEMBER KNAPP:

16 Again, just trying to get order of magnitude numbers.

17
18 JOE BEACH:

19 Yes. Sure.

20
21 COUNCILMEMBER KNAPP:

22 You know, we're trying to -- we're seeing stories about Fairfax County and the issues that
23 they have, and they're talking about their 650, and so people are seeing numbers in the
24 paper, and so I think it's important for us to have an understanding of a kind of order of
25 magnitude of where we stand relative to other things people are seeing. So relatively,
26 that's where we would talk about, between where we were and about 520.

27
28 JOE BEACH:

29 Sure.

30
31 JENNIFER BARRETT:

32 If we had taken no other action in the meantime to address the 450, then you'd add the 70
33 million to it, and you'd be at 520. I think part of our message, though, is that Montgomery
34 County acts early. We're working constantly. There's things going on, and the Executive
35 branch is rebuilding the budget, so it's a constantly moving and changing target. But if you
36 took the static 450, then yes, the math is correct.

37
38 COUNCILMEMBER KNAPP:

39 And I guess - I appreciate that, but we're -- three weeks, it's going to come to a closure --
40

February 24, 2009



1 JENNIFER BARRETT:

2 And we came here today to give you all an update, to give you all a heads-up about the
3 direction, but this was not intended to be a full fiscal update. I said that we would do that
4 as part of the budget when we release the budget.

5
6 COUNCILMEMBER KNAPP:

7 Appreciate that. Thank you very much.

8
9 COUNCIL PRESIDENT ANDREWS:

10 Thank you. Councilmember -- Council Vice President Berliner.

11
12 COUNCIL VICE PRESIDENT BERLINER:

13 Mr. Platt, you observed that all the signs are negative at this moment in time?

14
15 DAVID PLATT:

16 That's correct.

17
18 COUNCIL VICE PRESIDENT BERLINER:

19 And everything I read and every paper that I read every morning suggests that these
20 signs aren't going to be turning around any time soon. Is that your --

21
22 DAVID PLATT:

23 That's correct.

24
25 COUNCIL VICE PRESIDENT BERLINER:

26 In fact, it seems to be deepening, not shallow -- not getting shallower. So I have two
27 questions. One, Miss Barrett, you had observed that our base was pretty solid.

28
29 JENNIFER BARRETT:

30 I'm trying to find something positive to say about the county's budget, and it is -- I mean, a
31 lot of places are in dire straits in terms of job losses, and although our unemployment is at
32 a high at 3.9% compared to the 2.5 we were at a year ago, we're very fortunate. The --
33 part of the discussion this morning was, where would you rather be than here in the
34 Washington regional area with the federal government? There are -- somebody said this
35 morning, I think the quote is, "They're our auto industry," but they're doing well, and we're
36 benefitting from that.

37
38 COUNCIL VICE PRESIDENT BERLINER:

39 Let me -- let me share with you just what I am hearing from a large swath of the
40 communities that I represent, and I know that that's true for my colleagues at large -- what
41 I'm seeing as this deepens is that our small business community, in particular, is

February 24, 2009



1 struggling mightily, and we are seeing shops go out of business every day now, this
2 month. That wasn't happening in the fall. And so what I am seeing anecdotally is that the
3 cost of this economic downward spiral is becoming more evident and is touching people's
4 lives and is touching people's businesses in a way that was not true in the fall, that it is
5 just now -- I mean, it was bad in the fall, but my sense of where things are and where
6 they're going is that we are going to see much more evidence of the decline, and of a
7 decline that is going to touch every part of our community, and part of my question to you
8 is, to what extent our economic projections going forward take that into account? Are you
9 able to say, you know, OK, we do have, as you observed, the federal government is our
10 auto industry, but I'm telling you, the parts business in our community is hurting. The small
11 business community is in deep trouble. How much of that is part of our economic base,
12 and how much of that would be contributing to your forecast on a going-forward basis?
13

14 JENNIFER BARRETT:

15 I would leave it to Mr. Platt to try to address that in detail. I would like to note that what
16 we're -- part of what we're dealing with a deepening from where we were in November.
17

18 COUNCIL VICE PRESIDENT BERLINER:

19 Yes.
20

21 JENNIFER BARRETT:

22 Part of it also a lengthening. The longer it takes to come out of this, the longer the impact,
23 and the more, therefore, the impact on our revenue stream.
24

25 DAVID PLATT:

26 We also look at -- to answer your question, President Andrews, Mr. Berliner, we look at
27 what the state is looking for and the local. We combine both. We look at what the state is
28 forecasting, and we look at kind of the macro level. You certainly have a good point -- very
29 good points about the anecdotal, local, the small businesses. What's the total effect of
30 this? And we're seeing a pullback not only in -- in income.
31

32 COUNCIL VICE PRESIDENT BERLINER:

33 Yes.
34

35 DAVID PLATT:

36 In income. I mean, we're talking about personal income, and when people's income is
37 going down, the businesses that you're referring to are going to suffer because no one is
38 going to spend.
39

February 24, 2009



1 COUNCIL VICE PRESIDENT BERLINER:

2 When you talked about the admissions -- to me, that admissions number was a good
3 number because I think that's reflective of what's happening in our restaurant sector.

4 DAVID PLATT:

5 That's exactly -- that's correct.

6
7 COUNCIL VICE PRESIDENT BERLINER:

8 People aren't spending those dollars. Restaurants are laying people off. Restaurants are
9 closing their doors. Restaurants that have been in this community for decades are closing
10 their doors now.

11
12 DAVID PLATT:

13 And it's -- other part of the confidence. The consumer is the driver. That's nothing new
14 here. Once the consumer gets some confidence, both in terms of their employment
15 growth or potential non-unemployed and the income picks up, then we'll see the small
16 business -- the ripple effect with the small businesses pick up.

17
18 COUNCIL VICE PRESIDENT BERLINER:

19 Yes.

20
21 DAVID PLATT:

22 But until the consumer, A, has confidence back, which is not there. We don't see the
23 unemployment numbers going up, which we will. I think the small businesses are going to
24 struggle for the next year. And to what degree they're going to struggle, I couldn't tell you
25 right now, but I think you probably -- everyone here who talks at the Council who talks with
26 the business folks -- well, they'll tell you they're in tough shape. The second point about it
27 is getting credit to keep the businesses going.

28
29 COUNCIL VICE PRESIDENT BERLINER:

30 Yes.

31
32 DAVID PLATT:

33 The credit -- the money is there, but the credit -- not the availability of the credit, to get it to
34 keep the businesses going. I think for a small business to get the working capital to fund
35 their inventory purchases and things like that nature -- that's probably a struggle, as well --
36 not only the buying of the product, but getting the product and keeping in business. That's
37 my assessment -- it will not get better.

38
39 COUNCIL VICE PRESIDENT BERLINER:

40 And in that regard, I have a meeting at 3:30 this afternoon to discuss a country program
41 for precisely that purpose, because I see -- if I'm a small businessman, I've got no place to



February 24, 2009

1 go, because the banks -- their credit is totally frozen. So at the national level, we are
2 spending a lot of money to help out big business, and I'm not going to take issue with it,
3 but we need, at the local level, to figure out how we can help our local businessmen get
4 through this period of time, because if we're not there for them now, I don't know who's
5 going to be there for them. So --

6
7 DAVID PLATT:

8 I -- I'm sorry.
9

10 COUNCIL VICE PRESIDENT BERLINER:

11 Go ahead.
12

13 DAVID PLATT:

14 I think it's the retail sector that's probably going to suffer the most.
15

16 COUNCIL VICE PRESIDENT BERLINER:

17 Yes.
18

19 DAVID PLATT:

20 I think for small businesses -- we talked to a small banker this morning, said loans to other
21 type of businesses, the professional services and things of that nature. We didn't talk
22 about the retail sector. I think that is the one that is going to probably still suffer.
23

24 COUNCIL VICE PRESIDENT BERLINER:

25 And if you talk to some of these people that own strip malls --
26

27 DAVID PLATT:

28 That's my personal opinion.
29

30 COUNCIL VICE PRESIDENT BERLINER:

31 They're going, "Let's see. All my renters -- my rent's going away. How am I going to meet
32 my financial obligations?" So I don't see this going away soon. This is going to get deeper
33 and deeper. Let me ask one final follow-up, which is, I have some interest in FY11. I don't
34 know why it is that I have that interest, but I have some interest in FY11. Why don't you
35 give me a quick preview of what you see with respect to the financial difficulties we're
36 going to have, not just for next year, but for the following year?
37

38 JENNIFER BARRETT:

39 I'm struggling because I -- for FY11, I'm not ready to talk about specific numbers. I think
40 that we'll continue to see the -- the small, slight, steady coming out of it. The problem --
41 and we heard this, again, very strongly this morning -- is that from a fiscal standpoint, in



February 24, 2009

1 terms of when we the county see these revenues coming in, the big lag from when the
2 economy starts looking better. And that's going to be a real struggle for us. We're hoping
3 that people turn around toward the latter half of this calendar year and things get better in
4 terms of outlook, in terms of confidence, and people begin spending, because in this area,
5 that's quite a bit of what's going on here -- in the housing market and spending, retail,
6 buying cars, et cetera. But the problem is going to be -- and for the state, also, because of
7 sales tax -- is that the lag is going to be the issue, is that we aren't going to see the benefit
8 of that until some time after that. Anything you want to add, David, feel free.
9

10 DAVID PLATT:

11 I just want to make a comment that Mr. Farber mentioned about Chairman Bernanke's
12 comment this morning about the unemployment rate. And we look at that because that's
13 where the confidence comes in that I referred to, Mr. Berliner, earlier. They're looking at
14 an almost 9% unemployment rate at the national level by December. They're also looking
15 in calendar year 10, that unemployment rate may go down to 8%. That's still a large
16 unemployment rate, between 9 and 10. Our -- as Miss Barrett said, our 3.9, I could -- this
17 is my personal opinion. I could see our unemployment rate going up, obviously. I mean, if
18 the national level's going up, it's not going to be as high, but we could probably see
19 somewhere around 4.5, 5. And that's my personal opinion, please. Because of that expect
20 -- and the confidence and that expectation, people are still going to hold back, and they're
21 going to hold back through -- certainly through 09, and for the first half of '10. And as Miss
22 Barrett said, the conversation we had this morning is, there is a lag between the fiscal
23 year and the calendar year. The recovery may happen in 10, but what kind of recovery are
24 we going to have? Are we going to have a booming economy, or are we going to have a
25 gradual growth? That's the other question that has to be looked at from a revenue
26 standpoint. Even though there's that recovery, that 8% unemployment still is an awfully
27 high number to deal with in terms of the jobs and job -- We may see a pretty high rate, for
28 us, for -- through FY -- through calendar year 09 and into possibly 10, so that will start to
29 affect Fiscal Year 11. Again, premature, but again, that's based on what we know now,
30 from the conversations.
31

32 COUNCIL VICE PRESIDENT BERLINER:

33 And I assume, Mr. Beach, this informs your judgments with respect to the budget you will
34 be providing us so that it is not just a one-year budget, if you will, but that you're building
35 in savings going forward, as well.
36

37 JOE BEACH:

38 One of our strategies was to identify as many continuing cost savings as we could, and
39 when we do publish the FY10 budget, we will have a projection of FY11 with that.
40



February 24, 2009

1 COUNCIL VICE PRESIDENT BERLINER:

2 Thank you, Council President.

3
4 COUNCIL PRESIDENT ANDREWS:

5 Thank you. I think there's another revenue lag that's important to talk about, and that is
6 the lag in the property tax revenues, because as we -- as we see assessments go down,
7 we will see people begin to catch up to their full assessable value of their homes. Right
8 now, a lot of people are not paying the paying the full assessable value of their homes
9 because the Homestead Tax Credit, which limits to 10% a year the increase in the
10 assessable value of your home that you pay taxes on. But people will start to bump up
11 against that, especially if their next assessment goes down, and we have a three-year
12 assessment cycle, so the downturn is delayed in terms of its -- where it's reflected. In
13 Fairfax County, in Virginia, they assess every year, so they see it faster. So we see,
14 actually, a cushioning effect right now, but it will continue down for a while because we
15 haven't yet seen the -- two-thirds of the homes haven't been assessed in the last year,
16 and as they are assessed next year and the year after, they will have an entire three-year
17 cycle where home prices have been falling, and that will be a lag that works in the
18 negative direction for us, as opposed to the other lag, which might show up around that
19 time in terms of the economy. So that will have an even bigger impact on municipalities,
20 who are more dependent on property tax revenue than the county is. The county gets
21 about a third of its revenue from property taxes. Municipalities often get much more. So
22 that's something that we all need to be thinking about, but it -- assuming current rates,
23 then you're looking at a leveling off or a -- a downward trend in property tax revenues from
24 the existing homes that are there. Is that -- am I reading that correctly? Is that an accurate
25 assessment of what you expect to see?

26
27 ROB HAGEDOORN:

28 Yeah, and I agree. The Homestead Credit, probably within three years, is going to be
29 pretty much zero, which means that after that time, if there is no improvement in property
30 values that would cause assessments to go up, your base is going to increase only
31 because of new construction. And we had that in the mid-nineties, where the assessable
32 base would go up one percent a year, or once in a while, even less than that, and that's --
33 considering the importance of the property tax -- as you indicate, correctly, is one-third of
34 our revenues, total revenues -- to have that increase one percent, two percent, well under
35 inflation, is problematic. And that can last many, many years, until the market finally starts
36 picking up again and you see the assessable base go up.

37
38 COUNCIL PRESIDENT ANDREWS:

39 OK. All that argues for paying careful attention to the sustainability of whatever we spend
40 money on, and particularly as we get into the stimulus discussion, ensuring that stimulus
41 funds are used in a way that don't have continuing costs, because as President Obama

February 24, 2009



1 noted, the purpose of the stimulus funds is really to focus on averting layoffs and to put
2 people back to work, but we have to be careful that the funds are used in a way that don't
3 have obligations that are long-term, because the stimulus funds will only be coming,
4 presumably, for the next couple of years. I'm going to go down to the end of the table,
5 then work our way down again. Councilmember Elrich.

6
7 COUNCILMEMBER ELRICH:

8 I had a question about your last comment on property taxes. I thought that the first two --
9 the two years prior to this year saw assessments that typically exceeded 30% --
10 assessment increases. So it would take several cycles. In other words, a flattening of this
11 cycle would not produce one percent increases. It might take a couple of cycles before
12 people bumped up against their last assessments, assuming that assessments stayed
13 flat.

14
15 ROB HAGEDOORN:

16 Well, of course, the situation can be different for everybody, but what we have seen is that
17 in many cases, folks who experienced a growth in the property value since the mid-
18 nineties, that if they had a Homestead Credit which covered about 30% or less,
19 somewhere between 25 and 30% of the value was then covered by the Homestead
20 Credit, meaning they didn't pay taxes on that. If you get a double-digit drop in your
21 assessment, that immediately eats into the Homestead Credit. All of that comes out of
22 your Homestead Credit, and many properties went down 20% -- 18, 20%. So that
23 immediately eats into your Homestead Credit. That reduces the 25 down to 5, so you
24 have a little bit left over for the second year, but then the third year of your cycle, you don't
25 go up anymore. It just stays flat. So first year, you will still go up 10%. The next year, you'll
26 go up a little bit, and the third year, it's flat. And that's how it works its way through the
27 cycle, and then the next one will have the same thing. So a couple of years ago, I think we
28 had \$27 billion worth in Homestead Credit for the countywide. This year -- I think next
29 year, we'll be down to 15. I mean, that's how quickly it goes. And then the year after that,
30 it goes down to 4 or 5, and then the year after that, it's gone.

31
32 COUNCILMEMBER ELRICH:

33 It's gone. Has anything shown up in commercial property taxes yet?

34
35 ROB HAGEDOORN:

36 No, but I mean, what we've heard from SDAT is that a lot of people are filing appeals,
37 including commercials.

February 24, 2009



1 COUNCILMEMBER ELRICH:

2 OK. And does the savings plan that you put into place midyear -- that hasn't generated
3 anything, really, to carry over, given the write-downs. That's just offsetting the lost
4 revenues that you're writing down for this year?

5
6 JOE BEACH:

7 Well, it's -- it's not -- it's obviously less than the revenue write-downs that we have, but it is
8 reducing expenditures, so it's increasing fund balance to be carried over.

9
10 COUNCIL PRESIDENT ANDREWS:

11 Thank you. Councilmember Trachtenberg.

12
13 COUNCILMEMBER TRACHTENBERG:

14 Thank you, Phil. Actually, just a quick question to both David and Jennifer. Could you
15 provide a little definition on what exactly we can talk about at the end of February with
16 adjusted revenues? Because, again, I'm getting questions about exactly what information
17 from the state is forthcoming, and while we know that the income tax revenue is one thing
18 that's been adjusted, there's clearly going to be adjustment around a recordation tax
19 revenue for the county. So what numbers are going to look differently -- what are we going
20 to be able to look at, the end of February?

21
22 JENNIFER BARRETT:

23 I'm sorry -- in terms of the county revenues, in looking over the two-year period, as I've
24 noted, the most significant drop you're going to see is in income tax, particularly in FY10,
25 and that's a direct reflection of the capital gains and the stock market that we experienced
26 on 2008, and now it's continuing into 2009. The other areas that I think you're going to see
27 the strongest drops are going to be in transfer and recordation over the two-year period.

28
29 COUNCILMEMBER TRACHTENBERG:

30 OK.

31
32 COUNCIL PRESIDENT ANDREWS:

33 Thank you. Councilmember Knapp.

34
35 COUNCILMEMBER KNAPP:

36 Just a quick question. Thank you. You had had conversations as it relates to trying to get
37 better information on capital gains. You've been having conversations with the
38 Comptroller's Office? I just wanted to get a sense --

39
40 DAVID PLATT:

41 Ha ha! I'm sorry.



February 24, 2009

1 COUNCILMEMBER KNAPP:

2 No, that's OK. Have the conversations continued, or are you making any progress?

4 DAVID PLATT:

5 Yes, because we've talked -- in fact, we talked to him about -- first of all, on the capital
6 gains assumption that they made, about the 45% decline. I think we talked about that in
7 terms of their November -- or their December forecast. I think --

9 COUNCILMEMBER KNAPP:

10 Well, that, and then the disaggregation so we could actually see our part relative to the
11 rest of the state.

13 DAVID PLATT:

14 No. Sorry, Mr. Knapp. We're still pursuing.

16 COUNCILMEMBER KNAPP:

17 OK. I just wanted to see if there had been any breakthrough.

19 DAVID PLATT:

20 Please ask.

22 COUNCIL PRESIDENT ANDREWS:

23 OK. Thank you. All right. Well, I think we're ready to go on to the next part of the
24 presentation, which is about the expected impact of the stimulus on Montgomery County.

26 STEPHEN FARBER:

27 Right. We're going to be joined by Kathleen Boucher, Assistant CAO, who has been
28 working with Tim Firestine and colleagues here and also all of the agencies on a very
29 aggressive approach that the county, as whole, has taken to securing federal stimulus
30 funds. The packet, on circle 33, has a memo from you, Mr. Andrews, and you, Mr.
31 Berliner, with respect to the topics that you'd like to cover today, and Kathleen and her
32 colleagues will be addressing those issues. But all agencies have been involved in the
33 stimulus workgroup that has been put together. The packet also contains some
34 information from the state, on circle 34. The estimate is that over Fiscal 09, 10, 11, the
35 state of Maryland will be receiving \$3.8 billion out of the \$787 billion in the federal stimulus
36 bill. On circle 35, you have the \$365 million Phase I of the transit and highway projects
37 that the Governor has announced. There will be a Phase II shortly, of \$245 million more.
38 And then, last Friday, the Governor released further information about education
39 resources and, as we heard earlier, the GCEI reductions for Fiscal 10 that were
40 contemplated will not occur, and they've also -- there also are restorations for the

February 24, 2009



1 supplemental grant and non-public placement funding programs, and these will be helpful,
2 as well. But -- where's
3 Kathleen? Oh, there you are.

4
5 COUNCIL PRESIDENT ANDREWS:

6 We've been joined by some new folks at the table, so let's have everybody introduce
7 themselves for people listening in.

8
9 MELANIE WENGER:

10 I'm Melanie Wenger. I'm the Director of Government Relations for the county.

11
12 COUNCIL PRESIDENT ANDREWS:

13 Good afternoon.

14
15 MARC HANSEN:

16 I'm Marc Hansen. I'm with the County Attorney's office.

17
18 COUNCIL PRESIDENT ANDREWS:

19 Good to see you. And, uh, Kathleen.

20
21 KATHLEEN BOUCHER:

22 Kathleen Boucher, Assistance Chief Administrative Officer.

23
24 COUNCIL PRESIDENT ANDREWS:

25 OK. All right. Our -- who is going to take us through?

26
27 KATHLEEN BOUCHER:

28 OK, I'll start off. As Mr. Farber mentioned, we are here to provide an overview of the
29 county's response and implementation of the American Recovery and Reinvestment Act,
30 the federal stimulus package. And we will answer, by the time we leave here, all the
31 questions that you and Councilmember Berliner outline in your memo of February 17. I'm
32 going to start off by doing an overview of the processes that the County Executive and
33 Chief Administrative Officer have put in place to guide this process, and then I'll turn it
34 over to Melanie Wenger to speak a little bit more to what we might know at the state level
35 and what we've learned from the state, and then turn to Joe Beach to talk about what
36 we've learned from some the efforts we've undertaken to understand the broader context
37 of the what funding opportunity is available. And then I'll also turn it over to Marc Hansen
38 eventually, because one of your questions was, to what extent are funds encumbered by
39 non-supplant requirements, and Mark has done some research into that, and we have
40 some initial thoughts that we can share with you on that, as well. But I'll begin by talking
41 about the process that's been set up by the County Executive and Chief Administrative



February 24, 2009

1 Officer. As you know, the federal stimulus package is very complex, and in your February
2 17 memorandum to the County Executive, you noted that the federal stimulus package
3 uses a variety of mechanisms to allocate funds to local government, including existing
4 formulas, new formulas, and competitive grants. And some of the complexity of the federal
5 stimulus package relates to the requirements that are intended to funnel money into the
6 economy quickly. For example, we have timelines -- the federal government has timelines
7 for when different pockets of money have to be awarded, either competitively through
8 grants or distributed by formula. There are application deadlines for any one -- for many of
9 the components of the federal stimulus package. There are "use it or lose it" requirements
10 that, even if you receive funding, if you don't use it within a certain time period, you must
11 return it to the state or the federal government. All that adds complexity to implementing
12 the federal stimulus package. Some of the complexity relates to other requirements
13 regarding use of the federal funds. For example, many of the grants have various
14 conditions associated with them. As an example, compliance with prevailing wage
15 requirements of the Davis-Bacon Act is one. But there are many, and it all depends on the
16 particular funding opportunity, the particular grant. As you noted, again, in your February
17 17 memorandum, there are non-supplant requirements that are also very complex. I
18 would add that, Councilmember Andrews, you touched on one of the very complex
19 pieces of this, which is that this is intended to be short-term money. It will not exist in two
20 years -- most of it. There are actually, under some provisions, an ability for some of this to
21 be distributed over a longer period of time, but for the most part, most of it will be gone in
22 two years. So the challenge for our county, and for everybody who's going to implement
23 the federal stimulus package, is how do you make good decisions in the short term --
24 decisions that are sustainable in the long run? You don't make spending decisions that
25 you can't sustain. So I know that the County Executive is very concerned about that and
26 intends to do his best to implement it responsibly.

27
28 COUNCIL PRESIDENT ANDREWS:
29 Good. Good.

30
31 KATHLEEN BOUCHER:
32 OK. We have worked very hard -- and have been working for many months, actually -- to
33 create a process that would allow the county and our independent agencies to move
34 quickly to fully understand all of the complexities of the stimulus package, to identify all
35 potential funding opportunities, and to go out and to actually obtain those funds. We
36 anticipate that this is the first of many briefings of the Council, and we look forward to
37 working with you in the coming months. I'll just note very quickly that this process actually
38 began long before the American Recovery and Reinvestment Act was enacted. We have
39 worked very closely with our congressional delegation in monitoring the progress of the
40 stimulus package, as have you. In December of last year, the Council President and
41 County Executive jointly signed a letter that went to our delegation urging that the stimulus



February 24, 2009

1 package include significant funds for local governments and attaching materials that
2 illustrated the programs and projects which the county could initiate with a combination of
3 local revenue and federal money and which also met key goals of the stimulus package.
4 In subsequent communications with our delegation, we outlined the county's perspective
5 on various components of the stimulus package, and again, the Executive and the Council
6 President sent a joint letter to the delegation on February 6 expressing the county's
7 perspective on a number of differences between the House and Senate versions of the
8 package. And we continued -- Executive staff continued to communicate with our
9 delegation on all these issues until the Conference Agreement was adopted. The Chief
10 Administrative Officer has created a steering committee to guide what we believe is a very
11 aggressive effort to implement the federal stimulus package, and he began this effort even
12 before the bill was signed on February 17. The steering committee that he created, you
13 can actually see the membership -- I'm actually going to be referencing a memo dated
14 today that you should have in front of you. If you don't, we have extra copies. But the --
15 Mr. Firestine has created a steering committee that's made up of representatives of
16 county departments, Council staff, the Revenue Authority, WSSC, Park and Planning,
17 HOC, MCPS, Montgomery College, and our congressional delegation. And for a list of --
18

19 COUNCIL PRESIDENT ANDREWS:

20 That's on circle 5 of the packet.
21

22 KATHLEEN BOUCHER:

23 That's right. You can actually see, as Mr. Andrews noted, on circle 5, a list of the
24 representatives who are on the steering group. And that group will serve as a umbrella
25 group to coordinate efforts of county departments and independent agencies as we
26 implement the federal stimulus package. The committee first met the week before the
27 package was signed, on February 13, and we met again last Friday. We intend to meet
28 weekly until it's determined that less frequent meetings are necessary. The agendas for
29 the first two meetings, if you're interested, are on circle 6 and 7, and an email that outlines
30 some of the follow-up items coming out of our February 20 meeting is on circles 8 and 9.
31 Mr. Firestine also created several subgroups to help us implement the federal stimulus
32 package and to facilitate the work of the steering committee. The -- one of those groups is
33 what we're calling the Implementation Committee, and what we mean by that is a
34 committee that -- whose purpose is to ensure that any impediments to obtaining grant
35 funding, whether that's permit requirements, procurement rules, review of grant
36 applications -- that they're dealt with as efficiently as possible. In simple terms, we refer to
37 this as our Obstacle Removal Group. It includes representatives of the County Attorney's
38 office, Department of General Services, Office of Management and Budget, Department of
39 Permitting Services, Park and Planning, and Department of Technology Services. I'll be
40 serving as the coordinator of that committee. We have also created an Accountability
41 Committee, and this is a very important group in light of the provisions of the federal

February 24, 2009



1 stimulus package. I'm sure many of you have seen that bill. There are pages and pages of
2 the American Recovery and Reinvestment Act that relate to auditing and investigate --
3 Inspector Generals. There's gobs of money for the federal Inspector Generals. This is a
4 bill that will be -- whose implementation will be watched very carefully, and we intend to
5 make sure that we do everything we can to implement it in an efficient and proper
6 manner. As I mentioned, our committee will ensure that all interested parties understand
7 and comply with the federal stimulus package's audit reporting and performance
8 requirements. We're taking a proactive role in understanding all of these requirements and
9 creating processes that will ensure that the county and its independent agencies not only
10 comply with ARRA, but also maximize this opportunity to further the county's own goals
11 and priorities. This committee includes representatives of the Finance Department,
12 CountyStat, the Office of Management and Budget, and the Department of Technology
13 Services. And Assistant Chief Administrative Officer Fariba Kassiri will coordinate that
14 committee. We've also created 13 interdepartmental workgroups, and the purpose of
15 those workgroups is to use the collective knowledge of appropriate staff from different
16 departments and agencies to identify funding opportunities -- including opportunities
17 where there's potential for interdepartmental partnerships or interagency partnerships or
18 partnerships with our municipalities, our nonprofits, or in the private sector -- to determine
19 how the county can influence the funding opportunities and to comply with any
20 requirements that are applicable to particular funding opportunities. And a list of our 13
21 interdepartmental workgroups is on circle 10 and 11, and you can see the different
22 departments and agencies that are represented there. I should also mention that we do
23 have workgroup leaders who are taking the lead in each of those interdepartmental
24 workgroups, and most, if not all, of them are here today. And in many ways, there the
25 folks who have the closest-to-the-ground data on particular funding opportunities and are
26 available for questions today, if we need it.

27
28 COUNCIL PRESIDENT ANDREWS:
29 OK.

30
31 KATHLEEN BOUCHER:
32 OMB has developed a tracking database that we will use to identify funding opportunities
33 and track the county's success in obtaining funding under ARRA. The input page for the
34 database, if you'd care to look, is on circle 12, and there's a chart on circle 13 that
35 provides some very initial -- and, I would add, rough -- data on -- regarding the number of
36 records that have been entered thus far into the database. We're still in the process of
37 learning how to best track funding opportunities, and we expect that the current database
38 will be fine-tuned as we develop a better understanding of the universe of funding
39 opportunities that are out there. We're also in the process of developing an accountability
40 database, which may be incorporated into our tracking database. We're trying to figure out
41 the best way to complement those two processes. I want to add that some of our county



February 24, 2009

1 departments and independent agencies have contracts with private consultants, and the
2 scope of those contracts are broad enough to allow us to seek assistance from those
3 private consultants in implementing the federal stimulus package. In addition, Melanie's
4 office has retained a firm, its name is B&D Consulting, to assist us in implementing the
5 stimulus package. I'll be happy to answer any questions about the processes that we've
6 set in place, or would turn it over to Melanie at this point to see what she can add about
7 specific information at the state level.

8
9 COUNCIL PRESIDENT ANDREWS:

10 OK. Yeah, I think it would be good if we can get into some of the specifics of where the
11 money is expected to be available for - -what projects, and what are some of the known
12 limitations on it, and your best sense of the impact that it will have on our county.

13
14 MELANIE WERNER:

15 Thank you. We discussed yesterday at my office's weekly meeting with you what
16 information we had available yesterday as far as how the state was approaching this
17 process. And as far as the approach, I spoke with the Governor's office this morning
18 again, on my way here, and asked them if they had new information to share, and I think
19 that they have a little different feeling about how they're going to approach what was
20 initially going to just be a grants meeting. I think that they're going to do four meetings
21 around the state. The meeting that would be closest to Montgomery is actually going to
22 be in Annapolis on March 13, and initially it was just going to be, I think, kind of an open
23 forum. Now it's going to be focused more toward a workshop, and that's going to be in the
24 Miller Senate Building. The first of those meetings are actually on the eastern shore this
25 week. And as Kathleen mentioned, and Steve also mentioned, the Governor did take
26 relatively quick action already with the fiscal stabilization money that the state is receiving,
27 which is, over a two-year period, roughly \$750 million for the education piece, and then a
28 lesser amount for a more discretionary piece. And he opted to immediately, last Friday,
29 release his plan to spend that money, and the greatest portion of that, of course, is
30 coming to education. It's a restoration of the Geographic Cost of Education Index, the
31 non-public placement cost shift that he had anticipated in his budget, and in addition, a
32 program that did not affect Montgomery County this year, but we were participants in last
33 year, was the Supplemental Grant Program, which will benefit Baltimore City and Prince
34 George's County, who had been quite verbal about their issues with how they were
35 treated in his FY10 budget. Then he is backfilling existing programs in the education area,
36 of which one he is naming as teacher retirement. So clearly, the Governor's staff, and I
37 believe the Department of Legislative Services also -- the nonpartisan staffing agency for
38 the legislature -- does believe, of sorts, that those dollars can supplant. As far as the rest
39 of the money, the Department of Legislative Services was briefing the Senate Budget and
40 Tax Committee today at 1:00, and I believe that that document is probably -- will be
41 available and made public this afternoon, and I'll be glad to forward that document to you.

February 24, 2009



1 But they do outline how they view package broadly. As far as how much funds will be
2 coming to Maryland, it is about \$3.7 billion over the next couple of years -- 2.2 billion for
3 fiscal stabilization and Medicaid -- Medicaid is about 1.3 billion -- \$765 million in
4 infrastructure spending, about 396 million in education aid, 102 million in grants that would
5 not even pass through the state budget. They would come directly to local governments.
6 And then another \$285 million in grant opportunities that would pass through the state
7 coffers. So they are, again, had their staff busy looking at various provisions and have
8 some feeling about Maintenance of Effort issues and supplantation, and I would be glad to
9 forward that document on to you. What do we know about Montgomery County? We
10 certainly do know about the Title I and IGEA, and Ms. Ervin was, I think -- participated in a
11 press conference this morning about how the school system intends to use the funds that
12 will go directly to them. And then we also have some ideas about some of the direct
13 grants. Some funding flows from those -- the Byrne Grant and a couple of things like that.
14 But I think, as Kathleen mentioned, we're still in the process of sorting through the entire
15 document and having other agencies look for their resources, too. So it's a huge effort
16 underway. I think other counties are probably starting to do this. I'd say that we may be
17 ahead of the curve relative to other counties in our quick pursuit of what's in this piece of
18 legislation and what type of opportunities exist -- either that are obvious or potentially not
19 so obvious, and that's one reason why we have retained B&D Consulting to have them, of
20 sorts, tell us -- you know, tell us something we don't know that we can't see, but also to
21 help us make sure that we are definitely tapping the more obvious sources, as well.

22
23 COUNCIL PRESIDENT ANDREWS:

24 OK. Thank you. Go ahead.

25
26 JOE BEACH:

27 So far, the different departments and agencies have gone through the legislation. They've
28 identified at this point -- I expect this to grow -- about 184 separate opportunities, either
29 through formula aid or through competitive grants in the different portions of the stimulus
30 bill that Montgomery County could apply for or would receive by formula. The total value --
31 and of course, we have to scrub these numbers -- I'm sorry.

32
33 COUNCIL VICE PRESIDENT BERLINER:

34 I was just explaining to my colleague that you had said 184 opportunities.

35
36 JOE BEACH:

37 Opportunities, yes.

38
39 MELANIE WERNER:

40 Potential.



February 24, 2009

1 COUNCIL VICE PRESIDENT BERLINER:

2 Potential. I hear you. We're waiting for the numbers.

3
4 JOE BEACH:

5 OK. But 738.1 million potential, OK? That would be either formulas that would be
6 distributed either through the state or from a federal agency, or competitive grants. We
7 have some of the subject matter experts here who could speak in more detail. It will
8 include things like the COPS grant, which does have relaxed requirements in terms of the
9 local match, in terms of whether it can be used for positions that were abolished or
10 potentially even were slated to be abolished. Also, there is potential aid for fire station
11 renovation and building, as well, and a lot of this comes with non-supplantation
12 requirements. However, we have lots of facilities where we have the design or were in the
13 design but are unfunded for construction, so we feel that we would not be in any way
14 violating those non-supplantation clauses. Also, there's Byrne Grant money, Justice
15 Assistance Grant money, which we believe could be used, possibly, for things for public
16 safety equipment, public safety radios, other related equipment, as well. We're looking at
17 some of the different formulas for replacement of the county's computer-aided dispatch
18 system at the emergency 911 center, as well, and then there's also, we believe,
19 [Indistinct] competitive grants, but also formula for workforce training and other
20 opportunities, as well. So I think the database we've set up has allowed us to identify
21 those opportunities, to identify conflict, but also to identify by opportunities for partnerships
22 between different departments and agencies, as well, to strengthen our applications.

23
24 COUNCIL PRESIDENT ANDREWS:

25 Thank you. Mr. Farber.

26
27 STEPHEN FARBER:

28 Just a quick clarifying question, Joe. You mentioned \$738 million, I believe, in potential
29 opportunities. Is that over the Fiscal 09-10-11 period -- on other words, over the full
30 stimulus period?

31
32 JOE BEACH:

33 Yes. Yes, it is.

34
35 STEPHEN FARBER:

36 Thank you.

37
38 COUNCILMEMBER FLOREEN:

39 So 2.5 years?



February 24, 2009

1 JOE BEACH:

2 A little less than that, yeah.

4 COUNCIL PRESIDENT ANDREWS:

5 OK. And Mr. Hansen, do you have anything you wanted to comment on?

6 MARC HANSEN:

7 Well, I've been asked to comment on the issue of "supplement," not "supplant," and what
8 that means. First of all, I think it's important to remember that this condition imposed on
9 receiving federal money, or expending federal money, is not universal. It appears with
10 respect to certain sources of funding, but not all sources of funding. That's one point.
11 The second point -- it's not a new concept. It's been around in federal funding programs
12 for some time. But, you know, we are waiting to see if the Federal OMB will be issuing any
13 additional guidance on this matter. There appears to be, at least historically, three
14 situations where a local government or a state government that is subject to the
15 supplement, not supplant, rule would be presumptively to have violated that rule. One is
16 where the receiving government takes the money from the federal government and uses it
17 to fulfill a legal obligation, one that was already in existence and that the local government
18 or the state government had to expend money on anyway. The second situation is when
19 the local government simply substitutes the funding. They already had local funding in
20 place, and then the federal money comes in, and they use the federal money instead of
21 the local money to support that program. The third area where there is a presumptive
22 violation is where you have a target population that's to receive the federal money. This
23 occurs in education grants -- Title 1, for example -- and the local jurisdiction takes that
24 federal money, expends it just for the target population, but then supplies the rest of the
25 population with the same services using local money. And that's presumed to be a
26 violation of that rule. The -- there appears -- there's a closely related concept here, and
27 that's the Maintenance of Effort concept. And I say it's closely related because -- and this
28 is an area that the federal government has yet to provide any guidance as to whether the
29 supplement, not supplant rule will be connected in any way with Maintenance of Effort.
30 There is specific Maintenance of Effort language in the federal stimulus legislation with
31 respect to some of the education funding. So if you have a Maintenance of Effort -- the
32 impose a Maintenance of Effort requirement. Interestingly, the base year they set in the
33 federal law is 2006, and so I'm not sure that would ever, you know, come into play for us,
34 but for some governments, it might, and as I said, the Maintenance of Effort requirement
35 is specific, as far as I can tell, only some of the federal education assistance. That's about
36 all I can provide at this stage.

38 COUNCIL PRESIDENT ANDREWS:

39 That's -- that's OK. Thank you. All right. We're going to start off with Council Vice
40 President Berliner, and then Councilmember Knapp and Councilmember Ervin.

February 24, 2009



1 COUNCIL VICE PRESIDENT BERLINER:

2 Thank you all for being here, and, Kathleen, thank you for your presentation. I know from
3 my conversations with our CAO that you folks have been on top of this and working very
4 hard with respect to it, and I appreciate the effort, and I certainly appreciate the
5 complexity, as one who has followed this legislation from its beginning. I agree. It is
6 complex. Quite frankly, most of us were sitting here during your presentation and the
7 presentations that followed waiting for Mr. Beach's numbers. Is this bigger than a
8 breadbox? And it appears to be slightly bigger than a breadbox. This is -- this is good
9 news for the county. What I'd like to follow up on with Mr. Beach, and what our letter was
10 seeking to elucidate -- and maybe you're just simply not in a position to do so. As you
11 observed, there are many different funding sources in this bill, but a big chunk of the
12 funding sources are by formula -- formulas that our county knows well and therefore can
13 know what to expect with respect to this. So whereas there are competitive applications,
14 there are also dollars that will automatically come to us. One of the programs that I'm
15 familiar with, the Energy Efficiency Bloc Grant dollars -- 2.8 billion of it is not competitive --
16 will go be formula. We should know exactly what dollars will come to Montgomery County
17 from that program. If we don't know, we should certainly know within a matter of millions
18 as to what it is. So with respect to your estimate of 738 million in, quote, opportunity
19 dollars -- is that a fair way of characterizing?
20

21 JOE BEACH:

22 Correct.
23

24 COUNCIL VICE PRESIDENT BERLINER:

25 How much of that 738 do you know is formula versus competitive? That is, what of that
26 738 do we feel is our base, and then how much are we then trying - are we going to be
27 going after, if you will?
28

29 JOE BEACH:

30 OK. Well, unfortunately, you asked a question I didn't come to answer with. The
31 information is in this database, and I can have that for you this afternoon. What I can tell
32 is, half of the grants are -- that have been identified are competitive, and I know that some
33 of our departments and agencies, even though they're working on -- some of these are
34 new formulas, some of them are existing, as well. So I can provide that information to you
35 later this afternoon, but the work is still not complete at this point. I think, after all, the bill
36 was passed one week ago. So we're -- what I want to say is, we're working on that as
37 quickly as possible, but we don't have all that information complete right now.
38

39 KATHLEEN BOUCHER:

40 Yeah. I'd just like to add a few comments, which may be frustrating to hear, but no more
41 frustrating than it has been for us to try to figure it out. We do have -- well, our workgroup



February 24, 2009

1 leaders who are here are probably the best resources for specific data on money that we
2 know is coming and also on the known unknowns. So you may, if you want to, ask them to
3 come up for 30 seconds or a minute just to tell you. But there are no easy lists out there
4 as to even the formula funding, Mr. Berliner. We have contacted the state and been told
5 that they've contacted the feds and that the federal government has not been able to give
6 the state the most basic of information in terms of dollars in particular, under particular
7 formulas and data. We've contacted other counties. We're ahead of counties in terms of
8 anything we're doing in trying to put things together. But it's frustrating not to have the
9 clear money numbers that we all want at this point in time. The database that we're putting
10 together is the closest we've come to being able to generate that, and Joe can continue to
11 work on it, but our workgroup leaders who are here today might be able to help you if you
12 have specific questions.

13
14 COUNCIL VICE PRESIDENT BERLINER:

15 OK. well, I guess what I would appreciate, with the greatest respect, is your workgroup
16 leaders advise you, and then you could advise us.

17
18 KATHLEEN BOUCHER:

19 And we'd be more than happy to, and over time, that's exactly what we'd like to do. That's
20 exactly what we plan to do.

21
22 COUNCIL VICE PRESIDENT BERLINER:

23 OK. Let me go back to Mr. Beach's number again of 738, because that is the number that
24 people are now going to focus on. I mean -- and appropriately so. That's -- of that 738,
25 how much of that is education dollars? Do you know?

26
27 JOE BEACH:

28 I do not know. I can tell you, other than what the state, through the fiscal stabilization
29 portion, has restored to Montgomery County in this year, which is about -- for FY10, about
30 29 million. But of the other education formula aid, I can't give you a specific answer right
31 now. I'm not sure if there's someone from MCPS --

32
33 STEPHEN FARBER:

34 Melanie.

35
36 JOE BEACH:

37 Melanie?

38
39 MELANIE WERNER:

40 It looks about \$53 million.



February 24, 2009

1 COUNCILMEMBER FLOREEN:

2 53?

3
4 MELANIE WERNER:

5 53. According to the Department of Legislative Services, it's showing Montgomery's Title 1
6 -- and this, I think, is in aggregate, so this would be over a two-year period -- would be
7 about -- they're estimating at 20.2, and IGEA at 32.8.

8
9 COUNCIL PRESIDENT ANDREWS:

10 Which chart are you on?

11
12 MELANIE WERNER:

13 You don't have this chart. I think I might have referenced it yesterday, and I'd be glad to
14 get it to you.

15
16 COUNCIL PRESIDENT ANDREWS:

17 OK. All right.

18
19 COUNCIL VICE PRESIDENT BERLINER:

20 So let me just stay on this for one more second because I guess I am confused,
21 particularly insofar as I thought many of these formulas had been in existence for some
22 time, particularly -- and I'll defer to the chairman of HHS, as well. But on our HHS, when I
23 look at other relief and I look at -- let's look at the Weatherization Program, for example.
24 That's a \$5 billion program throughout the United States, and it is totally driven by formula.
25 I look at the State Energy Programs. That, too, is almost totally driven by formulas. I
26 assume that the Foster Care, Homeless Prevention, and other programs like that are also
27 driven by formula, as opposed to competitive grants. So my hope is that as soon as
28 possible, we are able to identify that subset of the universe that we can say to ourselves,
29 "This we know. We will get -- of that wish list of 738, we can count on 400 million of it
30 because it's not competitive. And that 338, we're going to go after in a big way because
31 we're well positioned to do so." But I think those are the numbers that we need to get to as
32 soon as you can and appreciate how hard you're working with respect to this. Because
33 part of it, again, is, whereas I know some of it goes, quote, through the state, my
34 understanding is it goes through the state, but it is also -- it is directed to the county
35 through the state. It isn't that the state -- there are programs in which the state has
36 discretion. That I understand. But there's also programs that, quote, go through the state,
37 but that are still, quote, formula-driven, so that Montgomery County's share, to a certain
38 degree, can be ascertained up front.

February 24, 2009



1 MELANIE WERNER:

2 That's correct. And yeah -- certain things, you know, yes. They're going to pass through
3 the state coffers.

4 COUNCIL VICE PRESIDENT BERLINER:

5 They're going to pass through the state.

6
7 MELANIE WERNER:

8 But they're already -- it is dictated already how they would then be allocated amongst the
9 local subdivisions.

10
11 COUNCIL VICE PRESIDENT BERLINER:

12 That's -- that's the numbers that I thought we would be in a better position at this point, but
13 I get that this is big dollars and a lot of information to absorb.

14
15 JOE BEACH:

16 And some formulas are new, as well, and some of the rules have not even been written
17 for how to distribute that.

18
19 COUNCIL VICE PRESIDENT BERLINER:

20 Right. And I guess what I would appreciate is -- again, that's -- where we have to do new
21 analysis for new formulas, we may not have the answers. To the extent to which they're
22 using existing formulas, that we ought to know now.

23
24 RICHARD NELSON:

25 Can I just -- the Weatherization, for example. We think we'll get 3.2, but it's not formula-
26 driven. We get it from the state, and we do very well under the Weatherization Program,
27 and we think we'll get 3.2. There's another program, like the Home Program, is formula-
28 driven, but for the stimulus program, it's not. It goes to the state by formula, and to the
29 localities, it's competitive. That's completely different from the way we normally have it.

30
31 COUNCIL VICE PRESIDENT BERLINER:

32 Yes, and I do appreciate there are a number of programs for which that's true. Thank you.

33
34 COUNCIL PRESIDENT ANDREWS:

35 OK. Thank you.

36
37 KATHLEEN BOUCHER:

38 Mr. Berliner, I would just add that in a packet that we had sent -- I'm not sure where it is in
39 your packet, that we had sent over last week. Steve, do you know where that one sheet is
40 where we listed the impact of the Federal Recovery and Reinvestment Act on Maryland?

February 24, 2009



1 STEPHEN FARBER:

2 I think that's Circle 34.

3
4 KATHLEEN BOUCHER:

5 OK, circle 34. I mean, this is pointing to what you're discussing, Mr. Berliner, which is we
6 do know that there are a lot of existing formulas under which additional funding is coming
7 through the federal stimulus package. What we are trying to do is get the details as to how
8 it relates to Montgomery County. The state does not have it yet. As you -- Mr. Nelson just
9 gave you a little picture of some of the complexities. It's going through formulas, but not
10 exactly the same rules that have been used under existing formulas. That's one of the
11 challenges. There are many formulas where it's supposedly the existing formula, but it's
12 been tweaked. I mean, the COPS, that Joe mentioned, is one of them -- the COPS Grant.
13 There's money flowing through it, but the local match has been changed. Things like that.
14 So we are fleshing it out, and we look forward to getting you more information as soon as
15 we can.

16
17 COUNCIL PRESIDENT ANDREWS:

18 Good. OK. Thank you. Councilmember Knapp.

19
20 COUNCILMEMBER KNAPP:

21 Thank you, Mr. President. I guess I share a little bit of Mr. Berliner's frustration, but I
22 appreciate the explanations. I know you're not busy at all, and, in fact, you've got 2.5
23 weeks to put out the budget, so -- but I know this is one more piece that gets in there, and
24 I'm assuming that you're going to have to make some series of assumptions as to what
25 number you put in the budget for all of these programs, and so -- I'd would love to see it
26 before, but certainly when it comes out, I'd like to see if we could take this sheet on circle
27 34, and to the extent that you've got another column that runs along the side that really
28 talks about what we're getting and what assumptions you then put in for what we put in on
29 our budget, because you're going to have to put some numbers in there. And to that
30 extent, you talked about the fact that we've restored some number to schools, but in our
31 fiscal plan, we already had assumption for things like GCEI, and so while we were getting
32 what we had assumed, we're not necessarily getting what we had thought the Governor
33 was going to cut, and so there's going to be an interesting thing there. So on the one
34 hand, we're getting money back that we figured we'd lose, but if you look at our fiscal plan,
35 it was already assumed in at a certain level anyway.

36
37 JOE BEACH:

38 Not in that case. We assume very little from GCEI.

February 24, 2009



1 COUNCILMEMBER KNAPP:

2 So we need to kind of see those places where we've had -- what the difference is between
3 the assumptions relative to what the difference was that we thought that the Governor's
4 budget included a month ago.

5
6 JOE BEACH
7 OK.

8
9 COUNCILMEMBER KNAPP:

10 OK? And then... I think those were the big pieces. And then I guess the only thing I'm
11 intrigued a little bit about is -- I'm glad Mr. Hansen has joined us, and I appreciate the
12 explanation of supplement versus supplant, but I'm not clear how we think we're going to
13 employ that. And so I was -- it seemed a little out of character, so I wasn't quite sure what
14 the explanation was getting us.

15
16 COUNCIL VICE PRESIDENT BERLINER:

17 What had been asked for -- just to make sure that you see your packet there. You'll see
18 that in the letter that the Council President and I sent, we did ask for that -- we did ask for
19 that -- for them to address that issue.

20
21 COUNCILMEMBER KNAPP:

22 OK, but you asked for it on a program-by-program basis as to where there was supplant
23 or non- supplant versus a supplement, so I assume we'll get that with the information we
24 get back, as well?

25
26 KATHLEEN BOUCHER:

27 That is absolutely one of the issues we're tracking with every funding opportunity and
28 have to track and have to work it into both the budget, grant applications, every part of the
29 process. So, the key here for us that we're trying to do as a first step is to identify the
30 universe of funding opportunities. We feel like an investment right now in as broad a look
31 as possible into what the invest - - what the funding opportunities are will pay off best for
32 us. And the funnel will narrow. As we narrow in on the funding opportunities, whether it's
33 formula, existing formula, new formula, competitive grant, there are many requirements
34 that are going to apply to every single funding opportunity, and non-supplantation is one of
35 them, and they're going to vary from grant to grant, and we're going to track them, and
36 we're going to make sure we comply with requirements.

37
38 COUNCILMEMBER KNAPP:

39 OK. I guess then, whenever we get that information, kind of the likelihood of success or
40 the risk factors -- because there are things that are going to be formula driven which are
41 going to be what they are, and then there are going to be other things that are pots of

February 24, 2009



1 money that we can apply for. So can everybody else, and we might stand an OK chance,
2 but we might not, and so I think that's going to be an important part to disaggregate
3 sooner than later so the stuff that we really know versus the stuff that we hope, but we
4 really don't have any sense until we apply like everybody else will apply.

5
6 KATHLEEN BOUCHER:

7 Yes. We agree with you completely. And also, aggregating, by any number of other key
8 factors -- for example, what is subject to any influence by the county versus no influence
9 whatsoever? We're trying to understand, where can the county influence the process?
10 Where can our congressional delegation influence? Where can our state delegation
11 influence? All of that are key to each funding opportunity.

12
13 COUNCILMEMBER KNAPP:
14 OK.

15
16 COUNCIL PRESIDENT ANDREWS:
17 Thank you. Councilmember Ervin.

18
19 COUNCILMEMBER ERVIN:

20 Thank you very much. I was this morning at a press conference with Congressman Chris
21 Van Hollen and Congresswoman Donna Edwards regarding the funds that appear to be
22 coming to MCPS. And so last night, the Board of Education voted on an action that -- I
23 think Melanie started to tell us a little bit more about those dollars, and Sonya Healy from
24 my staff that just came down and gave me what their operating budget amendment was.
25 And in the Title 1 additional revenue, it's pretty substantial. It's \$6.1 million. And then, for
26 IDEA, \$21 million. And then they're going to restore reductions, which I think is really
27 important -- academic intervention, teachers, including positions for MSMC, staff
28 development and reading teachers in 11 elementary schools, supplies and materials,
29 supporting services training, and counselors. So listening to Marc, what you were talking
30 about -- Mike just hit on that again -- is, I wanted to be clear, maybe, where the Executive
31 branch might be going in this area, since the school system clearly is going to get \$53
32 million or so in this money. So what are you guys doing, as you're looking at your budget,
33 in terms of maybe using some of the money that they might not have to have this year and
34 next year? I'm just trying to get a sense of what you're thinking about as you're putting
35 your budget together over these next couple of weeks, because... Are you going to be
36 using any of these items in your baseline budget? I mean, to -- we're having this
37 conversation about supplanting or... How are you going to do this? Because we have to
38 take some of this up in a committee because this is going to be -- this was approved last
39 night by the Board of Education. These are all budget amendments to -- we're going to
40 have to have a conversation about how we move forward in terms of the school system's
41 budget generally, overall, because some of this stuff wasn't in the budget.



February 24, 2009

1 JOE BEACH:

2 Very good question, and as to whether they're supplanting issues are not, I would just
3 defer to MCPS to determine that. Now, specifically, with the Title 1 and the Special Ed
4 money that would be in the grant fund of MCPS, and those are for very specific, targeted
5 uses. As for the more general aid categories, I think we've already begun talking to MCPS
6 about that. And obviously, we don't want to be in a situation where the school budget
7 grows 6-7%, and the county government and the others grow at zero percent, and we're
8 cutting some basic services in terms of public safety and health and human services. So
9 that's one of the things I was getting at when I was talking about the increases to
10 education aid. It is specifically targeted for education, but the end result in the budget
11 could be a little imbalance in terms of the resources that are going to specific services
12 unless we somehow are able to, you know, redirect those.

13
14 COUNCILMEMBER ERVIN:

15 I want to ask one other question, too, and it has to do with Pre-K dollars. I know that some
16 of this money is for Title 1 schools to add full-day Pre-K, and -- which is important, and it's
17 a laudable goal, but I know that in the county, we also have some issues with Pre-K being
18 cut. If I'm not mistaken -- I might have lost my page. And I'm wondering what you're doing
19 in your steering committee membership to have conversations, in that I'm not sure who on
20 there would be the person that I could go to, but these Pre-K dollars are very important,
21 and this Council passed a resolution some months ago, unanimously, to set up a Pre-K
22 implementation workgroup so that we would be able to be prepared to receive state or
23 federal dollars when they became available for Pre-K services. So i just wanted to know if
24 this was part of the work of the steering committee at all, and if not, I'd like to take this
25 opportunity to add that to the list.

26
27 KATHLEEN BOUCHER:

28 It's absolutely a part of the work of the group. It is, at this point, I guess the focus of our
29 education workgroup, which includes representatives of MCPS, the college as well, HHS,
30 Recreations, Libraries, DTS. But we're asking them to identify funding opportunities,
31 including those that apply in the Pre-K area. We know of a number of them. To tell us
32 what those funding opportunities are and to feed the data, you know, up to the steering
33 committee so that we can understand how to begin making decisions.

34
35 COUNCILMEMBER ERVIN:

36 OK. And finally, I want to speak to the issue of residential weatherization assistance. And I
37 can see the memo that went to Congressman Chris Van Hollen from Council President
38 Phil Andrews and County Executive Ike Leggett actually mentioned that it would help if we
39 could urge that multi-family housing units be eligible for assistance in this program. I am
40 actually working with my Council colleague Roger Berliner on a weatherization project. It's
41 really important, and we've had this conversation at this dais many times about the



February 24, 2009

1 importance of multi-family units. So I hope that in your deliberations, that this is being
2 pushed. And I don't know if Roger wants to make any comments on that, but we together
3 sent a letter to the County Executive outlining our ideas for a plan on how to get that done.
4

5 COUNCIL PRESIDENT ANDREWS:
6 Go ahead.
7

8 COUNCIL VICE PRESIDENT BERLINER:

9 Only to add to my colleague's observations -- this seems to be one of these classic
10 opportunities that I think the stimulus bill was intended to promote, which is to combine
11 both energy efficiency and poverty sets of issues, so if we can focus on our low-income
12 community, who is literally burning their utility bills every month and wasting dollars and
13 train our disadvantaged communities in the model that I believe is near and dear to my
14 colleague's heart -- the Van Jones model, which is the model that I believe this county is
15 in a position now to embrace. So we're going to get unprecedented dollars, orders of
16 magnitude more dollars than we've ever had before, for this program. And if we can
17 combine that with some training dollars and put together both training and outreach to the
18 disadvantaged communities and weatherize our low-income homes, that seems to me to
19 be what the stimulus bill was designed to produce -- that optimal result. And part of the
20 dynamic and the struggle is going to be that since we've never had these kinds of dollars
21 before, we don't have the staff who is necessarily in a position to just, like, "Oh, we can
22 just do this." So just at the federal level, how the federal bureaucrats, if you will, are going
23 to be struggling with getting the dollars out of door, the state bureaucracy is going to
24 struggle with, "Oh, how do we allocate these dollars?" We at the county level have to be
25 ready to go with what we hope are going to be bold initiatives here. So our hope is that
26 you would combine economic development and DEP and make sure that we maximize
27 the opportunities for this kind of program.
28

29 KATHLEEN BOUCHER:

30 We absolutely have combined economic development and DED. And I think Mr. Nelson
31 might have mentioned -- we do know that there's about 3.2 million in weatherization
32 assistance funding. That's what we think is coming to the county. We need to confirm it
33 through different sources, and there may be more. I mentioned that Council staff is
34 represented on the steering group. We would be happy to have Council staff represented
35 on particular workgroups. Just let us know. We know of your interest in weatherization. If
36 there's somebody in particular you want to be working with us. Part of the challenge is
37 figuring out how to be creative here and how to put together the best proposal, particularly
38 in the competitive areas. And so we're happy to have any ideas come our way and any
39 staff assistance, as well, working with our particular workgroups. Just let us know.
40

February 24, 2009



1 COUNCILMEMBER ERVIN:

2 OK.

4 COUNCIL PRESIDENT ANDREWS:

5 Thank you. Councilmember Trachtenberg is next.

6 COUNCILMEMBER TRACHTENBERG:

7 Thank you, President Andrews. My questions are focused on HHS money, for the most
8 part. And, you know, it might interest my colleagues and those of you who are here this
9 afternoon to know that there were memos being circulated around the federal health
10 agencies yesterday, basically from different directors and even the acting director of NIH,
11 stating very clearly that they weren't really quite sure of the final dollars that would be
12 available, nor were they really sure of the criteria that would be used, for instance, on
13 grant applications, whether or not there would be jurisdiction caps -- in other words, some
14 communities would only be allowed to get up to so much on grant funding. And clearly,
15 there weren't really sure about program priorities, either. So I think that speaks to the fluid
16 nature of the situation that we all find ourselves in, but what the heck, there's money out
17 there. One thing I would ask about, and perhaps Corinne could respond to this -- I see
18 she's here from the Department, and Melanie is here. We know that some of the health
19 money is going to come through the state -- Medicaid dollars. They are formula-driven.
20 We also know that there are other monies that will come through the state that won't
21 necessarily be linked to formulas. And I wonder if in the workgroup that's been put
22 together, there won't be a discussion -- several -- to develop a strategy around those
23 formulas, because historically, we've not really done as well as we would have -- you
24 know, in the past, with the Medicaid formulas. And that's very true around behavioral
25 health. It's even true around disability services -- services for the disabled. So I wondered,
26 had anyone thought about that as something that we could be working on collectively,
27 because it would seem to me we're going to be competing with the other jurisdictions, and
28 again, knowing what we know, what the history has been our around our ability to
29 compete. Have we thought about that at all? Corinne?

31 CORINNE STEVENS:

32 I think certainly that --

34 COUNCIL PRESIDENT ANDREWS:

35 Go ahead and introduce yourself, please.

37 CORINNE STEVENS:

38 I'm sorry. I'm Corinne Stevens. I'm the Chief Operating Officer for the Department of
39 Health and Human Services. I think, certainly, we're, you know, very busy trying to
40 understand what the opportunities are, both related to formula-driven opportunities as well
41 as competitive ones, and also looking at revenue that we may generate as a result of our

February 24, 2009



1 participation in county -- what county does that enhances Medicaid services, but I don't
2 know that I'm in a position yet to give you a specific answer. But we are looking sort of
3 across the board.

4
5 COUNCILMEMBER TRACHTENBERG:

6 Well, I wanted to raise that issue, and I also wanted to raise the issue of around the grant
7 opportunities and whether or not we actually have adequate support in terms of grant
8 writing to be able to make competitive applications for those grants -- because this is
9 something that's come up before. I do think, if my memory serves me correctly, we do
10 have one or two grant writers. Is that not -- am I correct?

11
12 CORINNE STEVENS:

13
14 Yeah. We actually have -- at the moment, we have one position that's 100% devoted to
15 seeking grants and supporting the service areas, but the grant work is never done by an
16 individual person.

17
18 COUNCILMEMBER TRACHTENBERG:

19 It's usually a team.

20
21 CORINNE STEVENS:

22 Right. It's a team that involves the grant person, the subject matter experts, and our
23 administrative budget staff. So we will continue to use that model, and i believe that the
24 county is also looking at, you know, more broadly how we can consolidate our resources
25 across departments to support each other to go after these opportunities. And Kathleen
26 spoke to, you know, looking at the barriers that we sometimes confront in moving forward,
27 you know, expeditiously for grants. So, you know, we're involved in all of that.

28
29 COUNCILMEMBER TRACHTENBERG:

30 Well, it's my understanding that we actually would fare better if we had more staffing
31 around grant applications, and that's what I'm really getting to. I understand, from the
32 Director, that, you know, we could use assistance, and a request was made to me around
33 the use of Fellows for that purpose. And I just wanted to bring it to the attention of my
34 colleagues and those that are here, that I think this is another one of those conversations
35 we need to have in the workgroup, where we really need to develop a strategy because
36 the health-related grants are very specific, and I'm not sure that grant writers who have an
37 expertise around housing or transportation would necessarily be able to really employ the
38 right strategy in making applications for us. I'm not saying that to be critical, because
39 again, I recognize the importance of it being a team effort, but i just want to make sure
40 that we have the right resources to get the job done. And that actually brings me to the
41 last point that I was going to raise -- and I know I've raised this before -- which is that

February 24, 2009



1 there is a certification that's required around human research. And specifically, if one is
2 making application for health grants through the federal government, specifically grants
3 around behavioral health, oftentimes there's a human research certification that's
4 required. And we do not have an active certification as the county.

5
6 CORINNE STEVENS:

7 But we make use of the one that DHMH provides for us, and we have actually utilized it.

8
9 COUNCILMEMBER TRACHTENBERG:

10 Right. Well, you have, but what I also know from some of the grants that are available,
11 they actually would expect the jurisdiction to have it, and so that's another things I'd like
12 us to have a conversation around in the workgroup. It's my understanding that for
13 instance, Primary Care Coalition has that certification. So if we were making grant
14 applications specific to behavioral health, and we were doing it under the umbrella of
15 Montgomery Cares, it could be that that would suffice, but I want to raise it because I
16 don't -- I think we should really have an active certification. And I'd like us to pursue that in
17 conversation.

18
19 CORINNE STEVENS:

20 OK.

21
22 COUNCIL PRESIDENT ANDREWS:

23 Thank you. Councilmember Floreen.

24
25 COUNCILMEMBER FLOREEN:

26 Thanks. Well, this has been an interesting conversation. You know, you went on and on
27 about this process, and we were waiting to hear what the numbers are. Now we
28 understand why you have to do all this. When do you think you will all know or have a
29 sense of the answers to all these questions? I guess we're all kind of surprised that there
30 is less certainty than we had understood. Do you have any sense of that?

31
32 KATHLEEN BOUCHER:

33 Well, I'll take a crack at that. First of all, I guess I'm surprised you're surprised, with all due
34 respect. The bill was signed last week. Every time I've spoken with --

35
36 COUNCILMEMBER FLOREEN:

37 We only read the press, the headlines, you know.

38
39 KATHLEEN BOUCHER:

40 But if I could share with you, every time I've spoken with state-level representatives and
41 county -- representatives from other jurisdictions, we're ahead of them.

February 24, 2009



1 COUNCILMEMBER FLOREEN:

2 I'm not blaming you. I honestly just am asking you for your estimate under the -- as it's
3 structured, when do you think you will get a sense from the administrations involved what
4 all these processes will end up in?

5 KATHLEEN BOUCHER:

6 We think that it's going to be incremental, day to day. We're going to get chunks of
7 information every day. We know -- as I mentioned at the beginning, we look forward to
8 coming back here and giving you regular updates, and we'd be happy to do that.

10 COUNCILMEMBER FLOREEN:

11 But, I mean, do you think you'll --

13 KATHLEEN BOUCHER:

14 I can tell you that the state -- the state grants office, which is coordinating sort of the
15 outreach to the local jurisdictions in terms of what the state -- how the state is going to
16 grants coming out of the federal stimulus package -- they have, as Melanie mentioned,
17 they've scheduled briefings on the federal stimulus package, but they've specifically
18 chosen March 13 because they are concerned that they will not have enough information
19 to share with local jurisdictions until then. They do have -- they actually just scheduled
20 three regional meetings, I think the week before, but choosing that date is because they
21 don't have information yet that they need, and they're not sure when they'll get it. So I
22 would say you could work back from March 13. We expect to have a lot of information by
23 March 13, which is two and a half weeks or so, but we expect to have a lot that we're
24 going to put together ourselves before then.

26 COUNCILMEMBER FLOREEN:

27 Sure. So.. We -- I guess we had thought -- at least some of us had thought -- that by the
28 time we -- that this timing would allow some adjustment to Mr. Leggett's budget so at the
29 time that that was presented, you'd have the benefit of this. It sounds to me like you're not
30 going to know very much for the purposes of that exercise. Sounds like it's going to be on
31 us again.

33 JOE BEACH:

34 I think it's not going to be significant. That's one. To the extent that it's knowable, we're
35 going to reflect it in the March 15 budget, and we've already made a few decisions about
36 that. But much of this does not look like it would help us close the gap, either because
37 there's non-supplantation clauses of --

February 24, 2009



1 COUNCILMEMBER FLOREEN:

2 Or even, you know, understanding when we will know how Montgomery County benefits --
3 residents are likely to benefit from the stimulus package. It sounds to me like it's going to
4 be several months...if we're lucky. Is that fair to say?

5
6 KATHLEEN BOUCHER:

7 I'm not sure I would say that.

8 COUNCILMEMBER FLOREEN:

9 No?

10
11 KATHLEEN BOUCHER:

12 I'd like to, every week, give you an update. We're not sure how quickly we're going to be
13 able to put this together. We do know we're trying to set up the processes that will allow
14 us to get there quickest.

15
16 COUNCILMEMBER FLOREEN:

17 OK. I mean, since the school board already took action -- there was an event, you know,
18 today, it was -- I guess I was under the impression that we'd have a little bit more certainty
19 that way. And you're saying it's just going to kind of dribble out.

20
21 KATHLEEN BOUCHER:

22 Well, and the education funding is the first -- along with the first phase of transportation
23 funding that Mr. Farber mentioned, the education funding -- they're the first two categories
24 of grant funding that we've received any specificity from the state.

25
26 COUNCILMEMBER FLOREEN:

27 Sure. OK. Well, so, then we'll just sort of stay tuned, is the message on this issue. I have
28 to say, looking at the allocations -- you know, this started out as an infrastructure program,
29 and I see at the end of the day, it turned out to be about -- less than a quarter of the
30 overall stimulus package. It is my math right here? I'm looking at circle 34, which shows
31 900 million for infrastructure out of 3.8.

32
33 KATHLEEN BOUCHER:

34 Yes, you're right.

35
36 COUNCILMEMBER FLOREEN:

37 Yeah. So I'm right. OK.

February 24, 2009



1 KATHLEEN BOUCHER:

2 Yes, you're right. I guess I should say -- I mean, the federal government intended this to
3 be a job retention, job creation, and so it views not only the concrete infrastructure
4 improvements as going toward those goals.

6 COUNCILMEMBER FLOREEN:

7 Indeed. So true. Of the transportation money -- well, on the bigger side, then, only -- they
8 talk about shovel-ready projects, and basically projects ready to go. Is that going to be a
9 sort of a category-by-category issue?

11 KATHLEEN BOUCHER:

12 It is. It's a grant-by-grant issue.

14 COUNCILMEMBER FLOREEN:

15 So -- and each one is different in that regard?

17 KATHLEEN BOUCHER:

18 Each one is different, yeah.

20 COUNCILMEMBER FLOREEN:

21 OK. And I had heard -- this sort of goes to Miss Trachtenberg's issue, and to certain
22 extent, to Mr. Berliner's issues -- that much of this money, or maybe all of it, is not
23 available for the cost of administering it -- administering it. Is that accurate?

25 KATHLEEN BOUCHER

26 You know, that's a very important question that we are trying to get the answer to. It again
27 goes grant by grant, but it obviously a very important question for --

29 COUNCILMEMBER FLOREEN:

30 I know that it's not available for the Weatherization Program, which is a huge issue,
31 because if you're going to spend this money, you have to have bodies to do it, and
32 someone's going to have to do it, which is not paid for through this.

34 KATHLEEN BOUCHER:

35 It is a huge issue, at the federal level, state level, and county level. I think it was the
36 Weatherization Program that folks were telling me there might be three staff member
37 currently at the state level, and in order to process the grants at the state level, they're
38 going to -- you know, how they handle it?

40 COUNCILMEMBER FLOREEN:

41 How do they pay for those people? Yeah.

February 24, 2009



1 KATHLEEN BOUCHER:

2 So we are -- one of the categories that we're tracking with each of our funding
3 opportunities is what does it -- what are the administrative costs? What can we use of the
4 grant for administrative cost, if any? We're trying to find that out, and it is grant by grant.

5
6 COUNCILMEMBER FLOREEN:

7 Yeah. So, again, there are costs associated to obtaining this resource.

8
9 KATHLEEN BOUCHER:

10 There are.

11
12 COUNCILMEMBER FLOREEN:

13 Is that fair to say? The other issue I had was, is there... of the transportation lists that we
14 got, we got a memo from Rich Madeleno the other day that seemed to summarize -- or
15 maybe it was the secretary -- summarize, it was about 33 million of repaving kinds of
16 things for Montgomery County. Is that --

17
18 STEPHEN FARBER:

19 Circle 35.

20
21 COUNCILMEMBER FLOREEN:

22 Pardon me? Circle what?

23
24 STEPHEN FARBER:

25 35.

26
27 COUNCILMEMBER FLOREEN:

28 Yeah.

29
30 STEPHEN FARBER:

31 That's Phase I.

32
33 COUNCILMEMBER FLOREEN:

34 There's very little under Montgomery -- I see nothing under Montgomery County except
35 lumped in for some transit vehicles and some resurfacing. How does that all, uh... do you
36 know anything more about that?

37
38 KATHLEEN BOUCHER:

39 Yeah, you should see about 3.2, I think million in Phase I of transportation funding. It's
40 something that troubles us tremendously. Melanie --

February 24, 2009



1 COUNCILMEMBER FLOREEN:
2 3.2 to Montgomery County. Mr. Holmes come up.
3
4 COUNCIL PRESIDENT ANDREWS:
5 Please introduce yourself.
6
7 ARTHUR HOLMES:
8 Oh, OK.
9
10 COUNCIL PRESIDENT ANDREWS:
11 We know who you are, but there are other people who don't.
12
13 ARTHUR HOLMES:
14 Art Holmes, Director, Department of Transportation. In looking at those things that are
15 going to be done in Montgomery County, we come to a total of about \$37.9 million, or
16 about 10%. Now, to --
17
18 COUNCILMEMBER FLOREEN:
19 That's over the three-year period?
20
21 ARTHUR HOLMES:
22 No. Well, this is over -- I'm just taking it out of the \$365 million amount. I haven't --
23
24 COUNCILMEMBER FLOREEN:
25 Yeah. For Phase I.
26
27 ARTHUR HOLMES:
28 For Phase I. And 2 million of that is for transit.
29
30 COUNCILMEMBER FLOREEN:
31 Oh, so that helps with the Ride On?
32
33 ARTHUR HOLMES:
34 It will help with Ride On. We have some discretion as to what we will use it for. I'm trying
35 to get more. I'm told that that's going to be rather difficult, but they haven't said that you
36 have to use it for buses or for facilities, so..
37
38
39 COUNCILMEMBER FLOREEN:
40 OK. So that -- you're saying that of that line for Phase I, you anticipate Montgomery
41 County is going to receive --

February 24, 2009



1 ARTHUR HOLMES:
2 Be affected. I'm not getting it, but affected. Right.
3
4 COUNCILMEMBER FLOREEN:
5 Receive the benefits, one way or the other.
6
7 ARTHUR HOLMES:
8 Right. Get the benefits of it.
9 COUNCILMEMBER FLOREEN:
10 And then, is there any money in this for Metro specifically?
11
12 ARTHUR HOLMES:
13 Yes, I think that's where most of the -- it's a formula, and the money is going to Metro. I'm
14 not sure of the number there.
15
16 COUNCILMEMBER FLOREEN:
17 I mean, over and above these allocations between Maryland jurisdictions? I mean, is there
18 something separate in the stimulus bill having to do with Metro?
19
20 CHRIS VOSS:
21 There's -- well, I can say specifically from -- my name is Chris Voss, Director of Office of
22 Emergency Management and Homeland Security. There's \$150 million for a FEMA transit
23 security grant. I can tell you that is formula-based. In last year's formula, there was \$388
24 million allocated, and out of that \$388 million nationally, Metro received around \$35
25 million. So if there's an extra \$150 million this year, if you're doing the math in the formula
26 -- even though if it's a little new, if it doesn't change substantially -- they may receive
27 around an extra \$15 million for transportation security.
28
29 COUNCILMEMBER FLOREEN:
30 But there is nothing over and above -- there's nothing else specifically targeted toward the
31 Washington Metro system, to your knowledge?
32
33 ARTHUR HOLMES:
34 I think there is. I can't give you a specific answer, but I think there is. I'll get back to you.
35
36 COUNCILMEMBER FLOREEN:
37 Would that be under this allocation, or would it be in some other pot? Again -- or is it part
38 of your search for resources?
39
40 ARTHUR HOLMES:
41 It would be under this particular allocation.

February 24, 2009



1 COUNCILMEMBER FLOREEN:

2 Ah. Well, would there be also money, like, on the Virginia side for their share and so forth,
3 and DC?
4

5 ARTHUR HOLMES:

6 It would be to -- just to Metro in total.
7

8 COUNCILMEMBER FLOREEN:

9 Well, OK. Well, if you could let us know how Metro seems to be faring in all this as we go
10 through this, as well as other Montgomery County stuff.
11

12
13 MELANIE WENGER:

14 It's mostly focused on MTA..
15

16 ARTHUR HOLMES:

17 Right.
18

19 COUNCILMEMBER FLOREEN:

20 That's what I thought.
21

22 ARTHUR HOLMES:

23 Yeah, but the 2 million is from MTA, that we're talking about here.
24

25 COUNCILMEMBER FLOREEN:

26 Sure. OK, we appreciate -- this has been a very educational effort and experience for us
27 to understand how complex it is to unweave these -- the press releases that we've seen,
28 and we're not going to be able to report a lot of detail to our residents quite yet. When we
29 get the overall numbers, Kathleen, can we also get things like Medicaid benefits that are
30 going to Montgomery County residents, things of that nature? The other -- stuff that will be
31 going through the state but that will benefit Montgomery County residents.
32

33 KATHLEEN BOUCHER:

34 Yes. We are tracking that.
35

36 COUNCILMEMBER FLOREEN:

37 Yeah. OK.
38

39 MELANIE WENGER:

40 There is one other issue I would like to raise, and that's, we're just looking today at really
41 the spending side. And, Councilwoman, when you mention the benefits to Montgomery



February 24, 2009

1 County, there are substantial tax provisions in the package, one being the Earned Income
2 Tax Credit. So there are benefits on the revenue side outside of the direct benefits we're
3 talking about on the spending side. But there is a lot of small business tax credits, Earned
4 Income Tax Credits. There's an exclusion for unemployment benefits. So there are some
5 things that are very useful that will be of great benefit to all residents who are unemployed
6 or who are poor, that are very helpful in the package.

7
8 COUNCILMEMBER FLOREEN:

9 Will that be available for people to use this April 15? I wouldn't think so.

10
11 MELANIE WERNER:

12 I can't -- I haven't studied them closely, so again, I'm speaking a little but out of turn. I just
13 wanted to make sure that we didn't forget the revenue side of the equation of the
14 package.

15
16 COUNCILMEMBER FLOREEN:

17 Sure. OK. Thank you.

18
19 COUNCIL PRESIDENT ANDREWS:

20 Thank you. And we're going to be wrapping this up fairly soon, and what we're going to do
21 is -- and I appreciate the preparation that was done by the CountyStat's staff, but we're
22 going to defer that presentation because a good percentage of the people here are
23 members of the MFP Committee who have already had the benefit of the presentation. So
24 we want the entire Council to benefit. We do. So we will reschedule that when we have
25 the entire Council here so that they can benefit, too. I would just make one comment, and
26 then I will turn to the Councilmember Ervin, who has her light on, and that is that clearly,
27 we're -- the county is still learning about the different aspects of the stimulus, and we'll
28 hopefully know a lot more in 2.5 weeks, by March 13, and I'm sure we'll learn a little bit
29 more each day. It seems to me two things are fairly clear at this point. One is, the stimulus
30 will help some, but second, that it will still be the county's actions that will be necessary to
31 close in the lion's share of our projected, now \$520 million, budget gap for next year. And I
32 think it's important to say that because I wouldn't want people to go away thinking of the
33 stimulus as a panacea for our difficulties. And we also have to be conscious in how we
34 apply the stimulus funds in a way that doesn't exacerbate a longer-term problem that we
35 face, because we clearly are looking at difficult budgets for more than at least the next
36 year, and more likely three or four. Councilmember Ervin.

37
38 COUNCILMEMBER ERVIN:

39 Just real briefly on the subject of grant administration, I was approached by a gentleman
40 in Silver Spring on Friday who owns a fairly large company who said that it was his
41 understanding that in the stimulus package, there is some money for hiring and training

February 24, 2009



1 people to take those jobs across the country as grant administrators, and if you find that,
2 let me know about it, and let me see it, because the reason he was approaching me was,
3 he said I see this as an opportunity for people who are looking for jobs with for the short
4 term, that they can get certified to do some of this work. So I wasn't able to follow up with
5 him on this because I clearly don't have any information, unless you all have the
6 information that you can share.

7
8 KATHLEEN BOUCHER:

9 We do not, at the moment, have information on that. If it's there, I will find it, because we'd
10 love to take advantage of it. That's the first I've heard of it, quite honestly. So thank you.
11 We'll look into it.

12
13 COUNCIL PRESIDENT ANDREWS:

14 OK. That is it from this side of the table. Thank you all. We'll see you again soon, and
15 have a good rest of the day.
16